

MARYLAND HIGHER EDUCATION COMMISSION

MEETING AGENDA

Time: 1 P.M.
SEPTEMBER 25, 2002

Place: MARYLAND HIGHER
EDUCATION COMMISSION
Commission Meeting Room
839 Bestgate Road, Suite 400
Annapolis MD 21401

MARYLAND HIGHER EDUCATION COMMISSION

John J. Oliver, Jr., Chairman

Joann Boughman

Dorothy Dixon Chaney

Edward O. Clarke, Jr.

Anne Osborn Emery

George S. Malouf, Jr.

Benjamin F. Mason

Emmett Paige, Jr.

Tawan Perry

Donald J. Slowinski, Sr.

Richard P. Streett, Jr.

Mario VillaSanta

Karen R. Johnson, J.D.
Secretary of Higher Education

Maryland Higher Education Commission

MEETING AGENDA

TIME: 1:00 pm
Wednesday
September 25, 2002

PLACE: Maryland Higher Education Commission
839 Bestgate Road, Suite 400
Annapolis MD 21401

	Page	Action Item
Call to Order		
Approval of the May 15, 2002 Retreat Minutes.....	1	*
Approval of the June 12, 2002 Meeting Minutes.....		*
Chairman's Report		
Secretary's Report		
Education Policy Committee Report		
• Revisions to Program Approval Process and Low Productivity Programs for USM Institutions.....		*
• 2002 Minority Achievement Report		*
• Proposed Revision to COMAR Section 13.B.02.03.33 Bachelor of Technical or Professional Studies		*
• Proposed Revision to the Community College Regulations COMAR Section 13B.07.01.02 Definitions and Section 13B.07.02.03 Student Residency Policy		*
Finance Policy Committee Report		
• Funding Guideline Modification for the University of Baltimore		*
• Guideline Revisions for the Community Colleges' Innovative Partnerships for Technology Program		*
• Guideline Revisions for the Private Donation Incentive Program		*
Adjournment		
Information Reports distributed to Commission		
• Report on Programs Reviewed from May 16, 2002 to August 15, 2002.....		

The Maryland Higher Education Commission is committed to ensuring that individuals with disabilities are able to fully participate in and benefit from the Commission's public meetings, programs, and services. Anyone planning to attend a meeting of the Commission who wishes to receive auxiliary aids, services, or accommodations should contact Pat Bracey at 410-260-4516 or 1-800-735-2258 (TTY/Voice) by Friday, September 20, 2002.

MARYLAND HIGHER EDUCATION COMMISSION

Retreat

Minutes of Meeting

May 15, 2002

The Maryland Higher Education Commission met on Wednesday, May 15, 2002, at the Commission office, 839 Bestgate Road, Suite 400, Annapolis MD. Commission members present were John J. Oliver, Jr. Chair; Charles B. Saunders, Vice Chair; Dorothy Dixon Chaney; Edward O. Clarke, Jr.; Donald J. Slowinski; and Richard P. Street. Commission members not present were Micah Coleman; Anne Osborn Emery; John Green; George S. Malouf, Jr.; and David S. Oros.

Staff members present were Karen R. Johnson, Secretary; Anne Budowski, Assistant Secretary; Janice Doyle, Assistant Secretary; John Sabatini, Assistant Secretary; Paula Fitzwater; Andrea Hunt; Pace McConkie; and Linda West.

After a brief tour of the new building, Chairman Oliver called the meeting to order at 9:30 a.m. Secretary Johnson reviewed the agenda for the day. Chairman Oliver commented that since June 12, 2002 will be Charlie Saunders' last meeting, one item for the June meeting will be the election of a vice chairman.

2002 Legislative and Budget Recap

Secretary Johnson reported that \$3 million for enhancement of the Historically Black Institutions is included in the Commission budget for FY 2003. A report on how the funds will be allocated must be presented to the legislature prior to the disbursement of the funds. The Commission is also required to develop a permanent funding strategy for the Maryland Digital Library. A plan is under development. All community colleges (with the exception of Anne Arundel and Howard Community College), the University System of Maryland institutions, and six of the independent institutions have agreed to the proposed memorandum of understanding payment plan. The memorandum of understanding would also allow other organizations to sign up to use the digital library in the future.

Commissioner Clarke stated that the Maryland Digital Library is very important not only for higher education but also for the entire State of Maryland. He stressed that the Commission should continue to work to obtain State funding for the initiative.

Assistant Secretary Doyle reported that the legislature has asked the Commission to take the lead in developing a framework for data collection from all higher education institutions to assist in the evaluation of the effectiveness of State need-based financial aid. This request came from the report from the Task Force to Study College Readiness for Disadvantaged and Capable Students. The Task Force found that there was not sufficient data available to make data-driven decisions. The data collection group has been divided into two subgroups: one group will study the mechanics of data collection and the other group will develop a statewide research agenda. In response to a question from Commissioner Clarke about whether the request for additional data will place a burden on independent institutions, Ms. Doyle responded that the group includes

representatives from the independent institutions and the development of the framework will be a collaborative effort with the representatives from all segments. Commissioner Saunders asked how this effort connects with the K-16 Leadership Council's initiative to form a group to work on a Maryland Center for Educational Statistics. He expressed concern about the need to gather data on teacher attrition.

Assistant Secretary Doyle explained that the legislature has cut the request for enhancement funding for the Historically Black Institutions (HBIs) from \$6 million to \$3 million and changed it from ongoing funding to one-time funding. Commission staff asked the HBIs for updated requests for short-term, one-time items. The legislature requires the Commission to report the allocation method prior to distributing the funds. She explained several different allocation scenarios and the impact of each, such as basing the distribution on the number of full-time equivalent students (FTES) at each institution, dividing the amount evenly, or distributing part of the funds based on FTES and evenly dividing the remainder. She also reported that most of the items in the requests are not impacted by the differing number of FTES on each campus, such as requests for software and network upgrades.

There was general discussion about the need to jump-start the Coppin revitalization by possibly allocating Coppin a greater share of the \$3 million. Chairman Oliver also stated that it will be important to send a message to the legislature that the \$3 million is not in keeping with the State's agreement with the Office for Civil Rights. Secretary Johnson suggested that a letter could be sent to the Governor and the General Assembly reiterating the State's commitments to the Office for Civil Rights.

State Plan Update

Secretary Johnson informed the members that work is being done to gain consensus among the institutions on what the public higher education agenda should be. Assistant Secretary Doyle and Assistant Secretary Sabatini reviewed the draft state plan update. They reported that each goal contains sections on progress made, barriers and constraints, and emphasis and priorities. Secretary Johnson asked the Commission members to identify up to ten of the most important issues for the executive summary. In priority order, items identified were:

- Meeting the commitments of the agreement with the Office for Civil Rights.
- Fully funding State need-based financial aid.
- Recruitment, retention, and training of K-12 teachers.
- Regional higher education centers.
- Maryland Digital Library.
- Workforce needs.

Maryland Higher Education Commission
Minutes of Retreat Meeting
May 15, 2002

- Graduation and transfer rates.
- Remediation.
- Sustained funding for higher education (operating and capital).
- Accountability.

Commissioner Saunders urged that, using the above priorities, a brief, more aggressive document be prepared to be issued as an addendum to the state plan update. This document should be blunter, more hard-hitting and emphasize the areas where greater progress is needed. The document should be issued this summer for maximum impact on the development of the Governor's FY 2004 higher education budget. The document should be widely circulated and meetings between the Commission, the Governor, and key legislators should be scheduled to discuss the issues. The leadership for this effort should come directly from the Commission members.

Open Discussion

Commission members expressed great satisfaction with the press releases over the past year. There was general discussion about media strategies.

Adjournment

Chairman Oliver adjourned the meeting at 3:00 p.m.

John J. Oliver, Jr.
Chairman

MARYLAND HIGHER EDUCATION COMMISSION
Regular Session
Minutes of Meeting

June 12, 2002

The Maryland Higher Education Commission met on Wednesday, June 12, 2002, at the Commission office, 839 Bestgate Road, Annapolis, Maryland. Commission members present were: Charles B. Saunders, Jr., Vice Chair; Dorothy Dixon Chaney; Edward O. Clarke, Jr.; Anne Osborn Emery; George S. Malouf, Jr.; Donald J. Slowinski, Sr.; and Richard P. Streett, Jr. Commission members not present were: John J. Oliver, Jr. and David S. Oros.

Staff members present were: Karen R. Johnson, Secretary; Anne Budowski, Assistant Secretary; Janice Doyle, Assistant Secretary; John A. Sabatini, Jr., Assistant Secretary; Deanne Alspach; Andrea Hunt; Mike Keller; Pace McConkie; Geoff Newman; Monica Randall; and Ann Walker.

Others present: Clara Adams, Morgan State University; Ben Birge, University of Maryland University College; Margery Coulson Clark, Montgomery College; Lynn M. Gangone, Maryland Independent College and University Association; Kathleen Gardiner, Department of Legislative Services; J. Elizabeth Garraway, Maryland Independent College and University Association; Starrla Levine, University of Baltimore; David McDonald, Towson University; Ellen Scholnick, University of Maryland, College Park; Cissy VanSickle, University of Maryland, Baltimore; and Monica West, University System of Maryland.

CALL TO ORDER

Commissioner Saunders, serving as Acting Chair, called the meeting to order at 1:06 p.m.

APPROVAL OF MINUTES

The minutes of the April 23, 2002 meeting were approved.

CHAIRMAN'S REPORT

Commissioner Saunders noted the death of Commissioner John L. Green. To commemorate him and his contributions to the Maryland Higher Education Commission, Commissioner Saunders read the below resolution for the Commission's consideration:

Resolution Adopted by the Maryland Higher Education Commission
MHEC remembers the life of Commissioner John L. Green

**The Maryland Higher Education Commission, on the 12th day of June, 2002 hereby
resolves**

To remember our dear friend and colleague, John L. Green, for his hard work and commitment on behalf of students attending Maryland colleges and universities;

To recall his higher education service to the Maryland Higher Education Commission, past chairman of the board of regents at Morgan State University and member of the board of the Association of Governing Boards of Universities and Colleges;

To acknowledge his selflessness, boundless energy and solid contributions during his six years serving diligently as a commissioner of the Maryland Higher Education Commission; and

And let it be known that we express our deepest sympathy to the Green family. This loss will indeed leave a void in our hearts at the Maryland Higher Education Commission; it is a void that will be difficult to fill.

We remember John Green this day with great admiration and respect.

Respectfully submitted on behalf of the Maryland Higher Education Commission.

Commissioner Clarke moved for approval of the resolution. Commissioner Emery seconded the motion and the motion carried unanimously.

SECRETARY'S REPORT

Secretary Johnson welcomed everyone to the new office and thanked everyone for their patience while staff orchestrated the move. A special thanks was given to Assistant Secretary Anne Budowski for overseeing the construction, planning, and physical move. Secretary Johnson also thanked the Department of General Services, former landlord and now the Commission's rental agent. The Commission's scholarship staff was also thanked for doing an extraordinary job in completing the award process during the move; scholarship awards were sent out on May 1st to 40,000 applicants. Secretary Johnson made note of the audio/visual technology in the conference room and advised attendees that the microphones were live and capable of picking up any conversations in the room.

Secretary Johnson made several announcements: (1) Student Commissioner Micah Coleman has graduated and is off to Israel then graduate school. Secretary Johnson thanked him for his service on the Commission; (2) the Commission has a new Student Commissioner, Tawan Perry, a senior at Morgan State University; and (3) today is Commissioner Saunders' last day. After 14 years of service on the Commission, he can no longer be reappointed. Secretary Johnson expressed her gratitude for his leadership, guidance and support, and presented him with a Governor's citation for his outstanding service; he was also presented with a print of the State House on behalf of Commission staff. On behalf of the Maryland Higher Education Commission, Commissioner Streett presented Commissioner Saunders with a gift of

appreciation in recognition of his many years of service. Commissioner Saunders thanked everyone and stated that he was proud to have worked with the Commission and staff.

On behalf of Chairman Oliver, Secretary Johnson reported that he nominates Commissioner Slowinski as Vice Chair of the Maryland Higher Education Commission. Commissioner Malouf moved for approval of the nomination. Commissioner Clarke seconded the motion and the motion carried unanimously.

FINANCE POLICY COMMITTEE REPORT

FY 2004 Capital Budget Priorities

Ms. Monica Randall, Director of Finance and Facilities, stated that capital budget priorities are used to evaluate the capital budget requests and the Commission's annual capital budget recommendations to the Governor.

Ms. Randall reported that the Finance Policy Committee recommended that the Maryland Higher Education Commission approve the FY 2004 capital budget priorities for both two-year and four-year institutions. Commissioner Streett moved for approval of the recommendation. Commissioner Clarke seconded the motion and the motion carried unanimously.

Ms. Janice Doyle, Assistant Secretary for Finance Policy, reported on legislation passed during the 2002 legislative session and the recommendations of the Finance Policy Committee:

Name Change for the State Scholarship Administration

SB 453 changed the name of the State Scholarship Administration to the Office of Student Financial Assistance. Upon approval by the Commission, all guidelines for all scholarship programs will be updated to remove all references to the State Scholarship Administration and replaced with the name of the Office of Student Financial Assistance.

Commissioner Streett moved to approve the name change in the guidelines for all State grants and scholarships. Commissioner Malouf seconded the motion and the motion carried unanimously.

Guidelines for the General Rules and Definitions for the Student Financial Assistance Programs

HB 399 allows a student to hold any State grant or scholarship simultaneously as long as all eligibility requirements are met for each program and the total of all scholarships and grants does not exceed the student's total cost of education. Ms. Doyle noted that a technical change was made to the definition of "promissory note." "Promissory note means a written contract obligating a recipient to repay the funds if the recipient does not fulfill the service obligation which was a condition of the recipient's scholarship or grant award".

Commissioner Streett moved to approve the changes to the guidelines for the General Rules and Definitions for the Student Financial Assistance Programs. Commissioner Emery seconded the motion and the motion carried unanimously.

Guidelines for the Loan Assistance Repayment Program

The Janet L. Hoffman Loan Assistance Repayment Program was established to help participants reduce the amount of indebtedness created by the cost of higher education through assisting in the repayment of educational loans, and to attract qualified individuals to fields of employment in government and the non-profit sector in which there are critical manpower shortages. Changes to the guidelines establish a pilot program to provide an early notification of an award in order to encourage students in their third year of law school to consider lower paying positions in the public sector.

Commissioner Streett moved to approve the changes to the guidelines for the Janet L. Hoffman Loan Assistance Repayment Program. Commissioner Clarke seconded the motion and the motion carried unanimously.

Guidelines for the Maryland HOPE, the Maryland Teacher and the Maryland Science and Technology Scholarship Programs

HB 316 streamlined the methodology for calculating grade point averages for students who apply for the Maryland HOPE, the Maryland Teacher and the Maryland Science and Technology Scholarship Programs, and SB 734 expands the eligibility to part-time undergraduates.

Commissioner Streett moved to approve the changes to the guidelines for the Maryland HOPE, Maryland Teacher and the Maryland Science and Technology Scholarship Programs. Commissioner Clarke seconded the motion and the motion carried unanimously.

Guidelines for the Edward T. Conroy Scholarship

HB 300 expands the eligibility criteria to cover children and surviving spouses of persons killed as a result of the attacks on September 11, 2001; and HB 399 revised the eligibility criteria for veterans who suffered a service-related disability from a 50 percent disability to a 25 percent disability.

Commissioner Streett moved to approve the changes to the guidelines for the Edward T. Conroy Scholarship program. Commissioner Clarke seconded the motion and the motion carried unanimously.

Guidelines for the Developmental Disabilities and Mental Health Workforce Tuition Assistance Program

SB 174 made the program more flexible in order for recipients to meet the annual 12 credit hour requirement; and allows recipients to fulfill their service obligation by working at a for-profit as well as for a non-profit agency or community-based program that serves individuals with certain disabilities.

Commissioner Streett moved to approve the changes to the guidelines for the Developmental Disabilities and Mental Health Workforce Tuition Assistance Program. Commissioner Slowinski seconded the motion and the motion carried unanimously.

Guidelines for the Educational Excellence Award Program

SB 453 established a decentralized educational assistance program that allows funds to be given to institutions to award to Pell eligible students who missed the March 1st application deadline. Also, the guidelines were modified to increase the standard budget allowance for students living with parents from \$2,500 to \$3,200, and \$4,000 to \$5,100 for students living off-campus.

Commissioner Streett moved to approve the changes to the guidelines for the Educational Excellence Award Program, including the addendum modifying the standard budget allowances for students living with parents and students living off-campus. Also, that staff undertake the following activities working cooperatively with the Financial Assistance Advisory Committee: (1) conduct a survey of standard budget allowances used by Maryland colleges and universities; (2) develop a recommendation for standard allowances to be used for awarding for the 2003-2004 academic year; and (3) develop a recommendation for periodic updates of standard budget allowances. Commissioner Slowinski seconded the motion and the motion carried unanimously.

Guidelines for the Graduate and Professional Scholarship Program

SB 453 established the program to address the financial need of full-time and part-time graduate/professional students in the fields of medicine, dentistry, law, pharmacy, nursing, social work, and veterinary medicine; and established a decentralized campus-based program. Legislation included a minimum \$1,000 and a maximum \$5,000 award amount. The institutions will make awards to students with financial need and will provide the Commission with an annual report describing the disposition of the funds.

Commissioner Streett moved to approve the guidelines for the Graduate and Professional Scholarship Program. Commissioner Malouf seconded the motion and the motion carried unanimously.

Funding Guideline Modifications for the University of Maryland Eastern Shore and the University of Maryland University College

Mr. Geoff Newman, Finance Policy Analyst, stated that the University System of Maryland (USM) submitted proposals to modify the funding guidelines for the University of Maryland Eastern Shore (UMES) and the University of Maryland University College (UMUC). UMES' current peer group did not reflect the university's special status as an 1890 land-grant institution and as a Master's institution offering doctoral programs. Commission staff working collaboratively with USM developed a new group of funding peers. The funding peers were chosen by modifying the original peer selection methodology and adding an additional variation that considers research as a variable. USM proposed modifying UMUC's guideline calculation by counting each part-time student as one-third FTE, eliminating the 10 percent deflator, and excluding all non-Maryland, on-line enrollments and revenue from the calculation. The exclusion of non-Maryland, on-line enrollments will encourage entrepreneurial growth in the university's on-line enterprise without artificially inflating the funding guideline and will create a funding guideline that is consistent with other USM institutions.

Commissioner Slowinski expressed concern that other institutions may want to exempt entrepreneurial ventures/revenue and does not want the Commission to set a precedent. He asked whether or not the Commission could limit the scope to just UMUC. After further discussion, it was the consensus of the Commission that the proposed recommendation would not set a precedent.

Commissioner Streett moved to approve the proposed methodology for calculating the operating funding guidelines for the University of Maryland Eastern Shore and the University of Maryland University College. Commissioner Emery seconded the motion and the motion carried unanimously.

Enrollment Projections – Maryland Public Colleges and Universities

Dr. Michael Keller, Director of Policy Analysis and Research, stated that the enrollment projections are used in facilities planning, tuition and fees policies, articulation, and funding priorities. The projections are also in demand by other State agencies, including staff from the Department of Budget and Management as well as legislative and fiscal analysts for the Maryland General Assembly. In addition, the Commission provides an independent set of numbers to the institutions and their governing boards. Dr. Keller provided an overview of the major features of the enrollment projections.

Dr. Keller reported that it is recommended that the Maryland Higher Education Commission approve the enrollment projections and their distribution to the public, the campuses, and interested State agencies. Commissioner Clarke moved for approval of the recommendation. Commissioner Emery seconded the motion and the motion carried unanimously.

INFORMATION ITEMS

Report on Programs Reviewed from March 16, 2002 to May 15, 2002

Dr. John Sabatini, Assistant Secretary for Planning and Academic Affairs, stated that the Secretary of Higher Education approved two additional AAT degree programs within the last sixty days. It is in the Commission's policies that community colleges develop AAT degree programs. Currently, 14 out of 16 community colleges have approved programs in that area to respond to the crisis in teacher education.

This item was provided for information purposes only.

Report on Private Career Schools: Approval Actions from January 22, 2002 to May 15, 2002

Commissioner Saunders stated that he believed the Commission has not spent enough time on one of its most important activities, namely the regulation of private career schools. Commissioner Saunders mentioned that the Commission met with heads of the private career school sector several years ago that resulted in questions being raised about the way the Commission does business and the needs of the private career school sector and, as a result, some changes were made. Commissioner Saunders stated that he believed it is an issue that the Commission should look at regularly. Commissioner Emery agreed.

This item was provided for information purposes only.

ADJOURNMENT

The meeting was adjourned at 2:15 p.m.

John J. Oliver, Jr.
Chairman



Parris N. Glendening
Governor

Kathleen Kennedy Townsend
Lt. Governor

John J. Oliver, Jr.
Chairman

Karen R. Johnson
Secretary of Higher Education

AGENDA ITEM SUMMARY

SUBJECT: Revisions to Program Approval Process and
Low-Productivity Programs for USM Institutions

COMMITTEE: Education Policy Committee

DATE OF COMMISSION MEETING: September 25, 2002

STAFF: Dr. John A. Sabatini, Jr.

SUMMARY: This agenda item pertains to HB 731/SB 85, which was passed by the 2002 Maryland General Assembly and became effective July 1, 2002. The law revises the procedure for approving new programs and generating low-productivity reports for the University System of Maryland (USM) institutions and affects all program submissions after the effective date.

Both USM and the Maryland Higher Education Commission have agreed on specific criteria and verification procedures to determine a new program's academic-quality and an institution's ability to offer a new program within existing resources. With regard to the low-productivity programs, the Maryland Higher Education Commission recommends that the Chancellor of USM receive for distribution to the institutions informal notice of the low-productivity program list as soon as it is available, and that the official list with a request for response be received approximately 55 days prior to the July meeting of the USM Board of Regents. Following this procedure will permit USM to comply with the law and to utilize the review and approval process originally agreed upon by the Maryland Higher Education Commission and the segments.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the amendments to its academic quality criteria and verification of resources as indicated in the attached for the constituent institutions of the University System of Maryland.



reallocated funds and the impact of such reallocation(s); and (2) provide information on the source(s) of external and alternative methods of funding the proposed academic program after the cessation of external funding. Additionally, institutions should cite realistic percentages of tuition and fees that will be used to support a proposed academic program. This approach to verification of resources and academic quality criteria has been developed in consultation with USM.

With regard to low-productivity program, HB 731/SB 85 also states:

“If the Commission notifies a president of an institution under paragraph (2) of this subsection, within 60 days the president of the institution shall provide to the Commission in writing:

- (I) an action plan to abolish or modify the program; or
- (II) justification for the continuation of the program.”

While the 60-day requirement in the legislation changes neither the exemption criteria nor the review process, it does make critical the timing of the memorandum of request from the Secretary of Higher Education. The Maryland Higher Education Commission, therefore, recommends that the Chancellor of USM receive for distribution to the institutions informal notice of the low-productivity program list as soon as it is available, and that the official list with a request for response be received approximately 55 days prior to the July meeting of the USM Board of Regents. Following this procedure will permit USM to comply with the law and to utilize the review and approval process originally agreed upon by the Maryland Higher Education Commission and the segments.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the amendments to its academic quality criteria and verification of resources as indicated in the attached for the constituent institutions of the University System of Maryland.

Please provide the following information in a maximum of five total pages (excluding the Finance Data required in Section C.)

A. Mission

Describe how the program relates to the institution's approved mission.

B. Characteristics of the Proposed Program

1. State the educational objectives of the proposed program.
2. ***Provide a brief narrative that addresses the adequacy of curriculum design and related learning outcomes. The narrative should (1) summarize factors that were considered in developing the proposed curriculum (such as recommendations of advisory and other groups, articulated workforce needs, standards set by disciplinary associations or specialized-accrediting groups, etc.) and (2) include an overview of the following program characteristics:***
 - ◆ the general requirements of the degree;
 - ◆ the total number of credits and their distribution;
 - ◆ a list of courses by title and level;
 - ◆ a description of thesis and/or non-thesis options for graduate programs;
 - ◆ ***and student learning outcomes and means of assessing them;*** and
 - ◆ any additional information that is relevant to understanding the goals of the program.
3. ***Provide a brief narrative that addresses the demonstrable quality of program faculty, including a summary of terminal degrees and other professional credentials as well as other information that is deemed appropriate.***
4. Describe the student audience to be served by the program; include enrollment estimates.
5. Describe the manner in which this program will enhance students' technology fluency.
6. ***Assure that library resources are adequate by including the following statement: The president assures that institutional library resources meet new program needs.***
7. ***Assure that facilities are adequate by including the following statement: The president assures that institutional facilities meet new program needs.***

TABLE 1: RESOURCES					
Resources Categories	Year 1	Year 2	Year 3	Year 4	Year 5
1. Reallocated Funds ¹					
2. Tuition/Fee Revenue ² (c+g below)					
a. #F.T Students					
b. Annual Tuition/Fee Rate					
c. Annual Full Time Revenue (a x b)					
d. # Part Time Students					
e. Credit Hour Rate					
f. Annual Credit Hours					
g. Total Part Time Revenue (d x e x f)					
3. Grants, Contracts, & Other External Sources ³					
4. Other Sources					
TOTAL (Add 1 – 4)					

¹ Whenever reallocated funds are included among the resources available to new programs, the following information must be provided in a footnote—origin(s) of reallocated funds, impact of the reallocation on the existing academic program(s), and manner in which the reallocation is consistent with the institution's strategic plan.

² This figure should be a realistic percentage of tuition and fees which will be used to support the new program. Factors such as indirect costs linked to new students and the impact of enrolling continuing students in the new program should be considered when determining the percentage.

³ Whenever external funds are included among the resources, the following information must be provided in a footnote

--source of the funding and alternative methods of funding the program after the cessation of external funding.



MHEC

Creating a state of achievement

Parris N. Glendening
Governor

Kathleen Kennedy Townsend
Lt. Governor

John J. Oliver, Jr.
Chairman

Karen R. Johnson
Secretary of Higher Education

AGENDA ITEM SUMMARY

SUBJECT: 2002 Minority Achievement Report

COMMITTEE: Education Policy Committee

DATE OF COMMISSION MEETING: September 25, 2002

STAFF: Laura Filipp

SUMMARY: The 2002 Minority Achievement Report provides an update on the progress that public colleges and universities are making in the recruitment, retention, and graduation rates of minority students, and in the recruitment and retention of minority faculty and executive/managerial staff. Campuses have agreed to provide the Commission with evidence of their progress by submitting reports every three years. With respect to minority students, the percentage of minority students has increased at virtually all of the two-year institutions during the past four years, and all colleges are either in striking distance or have already achieved their benchmark for fall 2005. The percentage of African American undergraduates has increased at Frostburg, Towson, University of Baltimore, and University of Maryland University College. At the other “traditionally white” schools, it has remained flat or has declined.

In terms of four-year transfer/graduation rates of full-time minority students, all but four institutions reported lower rates than they did four years ago: Chesapeake, Hagerstown, Montgomery and Prince George’s. All but three community colleges (Howard, Prince George’s and Southern Maryland) reported lower six-year transfer/graduation rates for all minority students than four years earlier.

Salisbury, Towson, University of Maryland Baltimore County, University of Maryland Eastern Shore and Morgan are within striking distance of their established objectives for the six-year graduation rate of African American students.

Half of the sixteen community colleges have made progress toward their benchmarks for the recruitment of minority full-time faculty, or are close to their goal. Just six colleges have the same record with respect to the hiring of full-time minority executive/managerial staff.

Public four-year colleges and universities are not required to include the recruitment of minority faculty and executive/managerial staff in accountability reporting. As a result, few have

developed measurable objectives in this area. Of the three that have (Frostburg, Salisbury and St. Mary's) all are making progress.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the 2002 Minority Achievement Report. It is further recommended that the presidents of the public colleges and universities which have made limited or no progress toward benchmarks on any common minority achievement performance measures, as determined by the Commission staff, be requested to submit action plans to the Commission by March 1, 2003. These plans, to be developed in cooperation with the Commission staff, shall include the identification of specific strategies to achieve the minority achievement benchmarks, an implementation schedule, a process of evaluation, and, as available, statistics that demonstrate the results of activities.

**MHEC***Creating a state of achievement***Parris N. Glendening**
Governor**Kathleen Kennedy Townsend**
Lt. Governor**John J. Oliver, Jr.**
Chairman**Karen R. Johnson**
Secretary of Higher Education

MEMORANDUM

DATE: September 25, 2002

TO: Maryland Higher Education Commission

FROM: Education Policy Committee STAFF: Laura Filipp

SUBJECT: 2002 Minority Achievement Report

The Minority Achievement Report provides an update on the progress that public colleges and universities are making in the recruitment, retention, and graduation rates of minority students, and in the recruitment and retention of minority faculty and executive/managerial staff. The performance accountability process gives the institutions primary responsibility for monitoring minority achievement. However, the campuses have agreed to provide the Commission with evidence of their progress, by submitting reports every three years.

The 2002 Minority Achievement Report is provided under separate cover. The report contains two sections. In Part I, the Commission staff has analyzed four-year trends in the performance measures relating to minority achievement that are included in the most recent accountability report. Part II describes the programs, activities and strategies that institutions have adopted or intend to adopt to improve minority achievement, with a focus on those efforts that have achieved measurable success. Campuses also were asked to indicate the steps they have taken or plan to take to achieve accountability benchmarks (community colleges) or objectives (public four-year campuses) on which they have not made sufficient progress to date. The institutions' individual reports, unedited for content, follow.

Minority Students Recruitment and Enrollment

Community Colleges

The percentage of minority students has increased at virtually all of the two-year institutions during the past four years, and all colleges are either in striking distance or have already achieved their benchmarks for fall 2005. This success is attributed to stepped-up recruitment activities such as high school bridge programs, community outreach, and special scholarships.

MARYLAND HIGHER EDUCATION COMMISSION

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Four-Year Colleges and Universities

The percentage of African American undergraduates has increased at Frostburg, Towson, University of Baltimore, and University of Maryland University College. At the other “traditionally white” schools, it has remained flat or has declined. All institutions are engaged in intensive minority recruitment activities, including partnerships with community colleges, targeted marketing using software, coordination with the recruitment events of national associations, high school bridge and mentoring programs, campus trips for minority high school students, community outreach, and special scholarships.

Minority Student Retention and Graduation

Community Colleges

In terms of four-year transfer/graduation rates of full-time minority students, all but four institutions reported lower rates than they did four years ago: Chesapeake, Hagerstown, Montgomery and Prince George’s. All but three community colleges (Howard, Prince George’s and Southern Maryland) reported lower six-year transfer/graduation rates for all minority students than four years earlier.

Four-Year Colleges and Universities

Salisbury, Towson, University of Maryland Baltimore County, University of Maryland Eastern Shore and Morgan are within striking distance of their established objectives for the six-year graduation rate of African American students.

Both two- and four-year institutions are working to increase minority graduation rates through a number of programs. Examples include minority-targeted academic support services, systems to track minority academic progress with “early warning” flags, pre-enrollment programs for incoming minority students, learning communities for first-year students, minority mentors, curricula additions with appeal to minorities, minority student support groups, diversity and multicultural programming, and faculty training about minority achievement issues.

Minority Faculty and Executive/Managerial Staff

Community Colleges

Half of the sixteen community colleges have made progress toward their benchmark for the recruitment of minority full-time faculty, or are close to their goal. Just six colleges have the

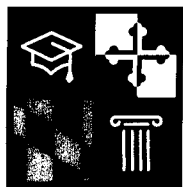
same record with respect to the hiring of full-time minority executive/managerial staff. All of the community colleges expressed a commitment to increasing the number of minorities among faculty and executive/managerial staff. In addition to having adopted equal employment opportunity and affirmative action statements, virtually all colleges reported that they are trying to recruit minority applicants. Techniques include advertising vacancies at Maryland's historically black colleges and universities and in national publications aimed at minority professionals and using on-line job posting services focused on minority applicants.

Four-Year Colleges and Universities

Public four-year colleges and universities are not required to include the recruitment of minority faculty and executive/managerial staff in accountability reporting. As a result, few have developed measurable objectives in this area. Of the three that have (Frostburg, Salisbury and St. Mary's), all are making progress.

Even though minority faculty and staff hiring is not currently monitored in the performance accountability reports of most of the public four-year institutions, nearly all of them described the techniques that they use to recruit and retain minority professional employees. Examples include advertisement of vacancies in minority publications and at predominately minority graduate schools, use of on-line resources to tap minority applicants, cooperation with professional and academic organizations, training of search committees about discrimination, and use of ethnically diverse search committees.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the 2002 Minority Achievement Report. It is further recommended that the presidents of the public colleges and universities which have made limited or no progress toward benchmarks on any common minority achievement performance measures, as determined by the Commission staff, be requested to submit action plans to the Commission by March 1, 2003. These plans, to be developed in cooperation with the Commission staff, shall include the identification of specific strategies to achieve the minority achievement benchmarks, an implementation schedule, a process of evaluation, and, as available, statistics that demonstrate the results of activities.



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AGENDA ITEM SUMMARY

SUBJECT: Proposed Revision to COMAR Section 13.B.02.03.33 Bachelor of Technical or Professional Studies

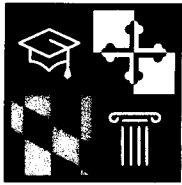
COMMITTEE: Education Policy Committee

DATE OF COMMISSION MEETING: September 25, 2002

STAFF: Dr. John A. Sabatini, Jr.
Dr. Michael J. Kiphart

SUMMARY: Institutions offering the Bachelor of Technical or Professional Studies (BTPS) degree program have requested that the minimum twelve credit hour internship requirements be reduced to a minimum three credit hour internship requirement. The change will allow greater flexibility in designing BTPS degree programs. Support for this change has come from both two-year and four-year representatives.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the changes to COMAR 13B.02.03.33 Bachelor of Technical or Professional Studies.



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MEMORANDUM

DATE: September 25, 2002

TO: Maryland Higher Education Commission

FROM: Education Policy Committee

STAFF: Dr. John A. Sabatini, Jr.
Dr. Michael J. Kiphart

SUBJECT: Proposed Revision to COMAR Section 13B.02.03.33 Bachelor of Technical or Professional Studies

Regulations for the Bachelor of Technical or Professional Studies (BTPS) degree program were established in 1999 to allow two-year and four-year institutions to develop specific articulation programs between Associate of Applied Science degree programs and newly developed BTPS degree programs. The BTPS degree program provided community college students with transfer and baccalaureate degree opportunities that did not exist prior to this program. There are presently three approved BTPS programs in Maryland: Health Science Administration provided by Frostburg State University with Allegany College of Maryland; Labor Studies provided by the National Labor College; and Chemical Dependency provided by Towson University with the Community College of Baltimore County.

Institutions have indicated that a major barrier to the development of more BTPS degree programs has been the twelve credit hour internship requirement. Institutions believe that an internship is a very important component of the BTPS, but given the general education, institutional, and discipline course requirements, the twelve credit hour requirement does not allow enough credit hour and course flexibility to develop new BTPS programs. The institutions have requested that the minimum twelve credit hour internship requirement be reduced to a minimum three credit hour internship requirement. The change will allow greater flexibility in designing BTPS degree programs. Support for this change has come from both two-year and four-year representatives.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the changes to COMAR 13B.02.03.33 Bachelor of Technical or Professional Studies.

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13B.02.03.33 Bachelor of Technical or Professional Studies.

A. Under an articulated agreement, students who have completed an associate of applied science (A.A.S.) degree may obtain a bachelor of technical or professional studies in a related, specialized area of concentration at an institution with degree-granting authority in Maryland. The area of concentration shall be specified by the institution granting the bachelor of technical or professional studies. The receiving institution shall accept not less than 60 credits and not more than 64 credits for the A.A.S. degree.

B. Planning. The Commission shall provide information on technical or professional fields that have graduated significant numbers of students and for which one or more community colleges request an articulated bachelor of technical or professional studies degree. Institutions that wish to participate in developing a bachelor of technical or professional studies shall meet and develop a memorandum of understanding. Participating institutions shall notify the Commission of their intent to develop the new degree program.

C. Memorandum of Understanding. A memorandum of understanding shall be drafted and agreed to by participating institutions. The memorandum of understanding shall address procedures for admissions, registration, advising, student services, financial aid, tuition, and faculty resources. Programmatic and degree requirements shall also be identified. The program shall include an internship which encompasses specific competencies and is a minimum of ~~12~~ **THREE (3)** credits. The program shall be made available at home institutions or other convenient locations, or both. The program may also be delivered through distance education.

D. Approval. The memorandum of understanding shall be submitted in lieu of a program proposal.



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AGENDA ITEM SUMMARY

SUBJECT: Proposed Revision to the Community College Regulations COMAR Section 13B.07.01.02 Definitions and Section 13B.07.02.03 Student Residency Policy

COMMITTEE: Education Policy Committee

DATE OF COMMISSION MEETING: September 25, 2002

STAFF: Dr. John A. Sabatini, Jr.
Dr. Michael J. Kiphart

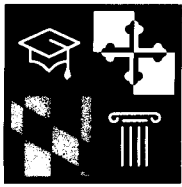
SUMMARY: The Maryland Council of Community College Chief Executive Officers of the Maryland Association of Community Colleges has requested that COMAR regulations include the use of electronic signatures as well as written signatures in COMAR 13B.07.02.03 Student Residency Policy. Written signatures are only required by the regulations for community college students to indicate their residency status. The inclusion of electronic signatures will serve the same purpose of written signatures and accommodate the increased use of on-line processes and procedures in place or under development at all public two-year colleges.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the changes to Community College Regulations COMAR 13B.07.01.02 Definitions and 13B.07.02.03 Student Residency Policy.

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MEMORANDUM

DATE: September 25, 2002

TO: Maryland Higher Education Commission

FROM: Education Policy Committee

STAFF: Dr. John A. Sabatini, Jr.
Dr. Michael J. Kiphart

SUBJECT: Proposed Revision to the Community College Regulations COMAR Section
13B.07.01.02 Definitions and Section 13B.07.02.03 Student Residency Policy

The Maryland Council of Community College Chief Executive Officers of the Maryland Association of Community Colleges has requested that COMAR regulations include the use of electronic signatures as well as written signatures in COMAR 13B.07.02.03 Student Residency Policy. Written signatures are only required by the regulations for community college students to indicate their residency status. In light of the movement of two-year institutions to on-line and electronic processes for student application, registration, and normal business activities, the community college chief executive officers have requested that electronic signatures be added to the regulations so that students can officially indicate whether they are residents of the State and the county or region for the college electronically. The inclusion of electronic signatures will serve the same purpose of written signatures and accommodate the increased use of on-line processes and procedures in place or under development at all public two-year colleges.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the changes to Community College Regulations COMAR 13B.07.01.02 Definitions and 13B.07.02.03 Student Residency Policy.

13B.07.01.02 Definitions.

A. In this subtitle, the following terms have the meanings indicated.

B. Terms Defined.

(1) "Board of trustees of a college" means the governing board of a college or system.

(2) College.

(a) "College" means a public community college or regional community college authorized to operate in Maryland.

(b) "College" includes Baltimore City Community College, except as provided in Regulation .01B of this chapter.

(3) "Commission" means the Maryland Higher Education Commission.

(4) "Continuing education course" means a course for which academic credit is not awarded.

(5) "Contract amount" means the total amount received by a college from a local, State, or federal contract, plus any other federal or State revenue related to the contract, excluding full-time equivalent student (FTE) State support.

(6) "County" means:

(a) A political subdivision of the State that supports a community college under Education Article, §16-201, Annotated Code of Maryland; and

(b) The total of all counties that support a regional community college under Education Article, §16-302, Annotated Code of Maryland.

(7) "County resident" means a student who has maintained a domicile in the county or region served by the college for at least 3 months before the date of enrollment at a college.

(8) Direct Costs.

(a) "Direct costs" means expenditures that are clearly incurred by the college in the fulfillment of a federal, State, or local contract or grant, and are explicitly related to the performance or fulfillment of the contract or grant.

(b) "Direct costs" includes salaries, wages, benefits, services, materials, and equipment.

(9) "Domicile" means:

(a) A student's permanent place of abode, where physical presence and possessions are maintained with the intention of remaining indefinitely; or

(b) The permanent place of abode of any person or persons contributing more than 1/2 of the student's financial support during the most recently completed year.

(10) "Dual enrollment student" means a secondary student who is enrolled in college courses and receives both high school and college credit for the courses completed.

(11) "ELECTRONIC" MEANS RELATING TO TECHNOLOGY HAVING ELECTRICAL, DIGITAL, MAGNETIC, WIRELESS, OPTICAL, ELECTROMAGNETIC, OR SIMILAR CAPABILITIES.

(12) "ELECTRONIC SIGNATURE" MEANS AN ELECTRONIC SOUND, SYMBOL, OR PROCESS THAT IS A PROTECTED ENTITY AND IS ATTACHED TO OR LOGICALLY ASSOCIATED WITH A RECORD AND EXECUTED OR ADOPTED BY A PERSON WITH THE INTENT TO SIGN THE RECORD.

(13) "Eligible employee" means a full-time, nontemporary employee of the college who is entitled to receive full employment benefits at the college.

~~(12)~~(14) "Equated credit" means contact hours divided by 15.

~~(13)~~(15) "Full-time day equivalent (FTDE)" means the total number of credit hours taught on campus between 8 a.m. and 5 p.m., divided by 15 credit hours.

~~(14)~~(16) "Full-time equivalent faculty (FTEF)" means the number of full-time faculty plus the number of course credit hours eligible for State aid and taught by part-time faculty during a given fiscal year, divided by 30.

~~(15)~~(17) "Full-time equivalent student" means the quotient of the number of student credit hours produced in the fiscal year which is 2 years before the fiscal year for which the State share is calculated, divided by 30.

~~(16)~~(18) "Gifted and talented" means an elementary or secondary school student who is identified by professionally qualified individuals as having outstanding abilities in one or more of the following areas:

- (a) General intellectual capabilities;
- (b) Specific academic aptitudes; or
- (c) Creative, visual, or performing arts.

~~(17)~~(19) "Indirect costs" means the number of full-time equivalent (FTE) students taught under a training contract multiplied by the budgeted current year net cost per FTE for that college per the Annual Budget Report (form MHEC-CC-5), multiplied by the percentage of the adjusted current unrestricted expenditures in all functions other than instruction as reported in the current Annual Budget Report (form MHEC-CC-5) for that college.

~~(18)~~(20) "Maryland resident" means a student who has maintained a domicile in Maryland for at least 3 months before the date of enrollment at a college.

(21) "PROTECTED ENTITY" MEANS A PROCESS FOR VERIFYING THAT AN ELECTRONIC SIGNATURE IS THAT OF A SPECIFIC PERSON TO WHOM THE ELECTRONIC SIGNATURE IS BEING ATTRIBUTED.

(22) "RECORD" MEANS INFORMATION THAT IS INSCRIBED ON A TANGIBLE MEDIUM OR THAT IS STORED IN AN ELECTRONIC OR OTHER MEDIUM AND IS RETRIEVABLE IN A PERCEIVABLE FORM.

~~(19)~~(23) "Secretary" means the Secretary of Higher Education.

~~(20)~~(24) Standardized Test.

(a) "Standardized test" means a test distributed by external agencies for determining academic equivalence of knowledge or skills, or both.

(b) "Standardized test" does not include departmental or other examinations developed and administered by the college.

13B.07.02.03 Student Residency Policy.

A. College Policies.

- (1) A college board of trustees shall adopt and publish in the college catalog or other public document a policy governing classification of students by domicile for tuition purposes.
- (2) The classification of students by domicile shall be in accordance with this chapter.
- (3) An individual's immigration status may not preclude award of Maryland residency under this policy if the individual has the legal capacity to establish domicile in Maryland.
- (4) A college shall provide in its policy an opportunity for a student to request a change in residency classification or to appeal a current classification.

B. The policy in §A of this regulation shall distinguish at least the following categories of students:

- (1) Residents of the county or counties that support the colleges (not applicable to Baltimore City Community College);
- (2) Maryland residents from outside the county or counties that support the college (not applicable to Baltimore City Community College); and
- (3) Out-of-State residents.

C. Tuition Requirements.

- (1) Out-of-State students shall pay tuition in accordance with Education Article, §16-310(a), Annotated Code of Maryland (not applicable to Baltimore City Community College).
- (2) Out-of-county or out-of-region students shall pay tuition in accordance with Education Article, §16-310(b), Annotated Code of Maryland.
- (3) A student enrolled in a program designated as Statewide or regional by the Commission may be considered a resident for tuition purposes if domiciled in the approved region for the program.

D. Contract Authorization (not applicable to Baltimore City Community College).

(1) A college may adopt a policy allowing it to enter into a contract to provide education or training for public or private sector employees or members with a public or private sector employer or nonprofit organization that maintains facilities, operates, or does business in the State. The contract may provide for a set contractual fee in place of payment of tuition under the following conditions:

(a) The employee or member is enrolled in credit or noncredit courses that will benefit the employer or nonprofit organization;

(b) The employer or nonprofit organization pays the fee charged by the college; and

(c) The fee reasonably reflects the usual costs charged to students in the same or similar courses.

(2) Contractual arrangements under this program may include customized training as well as employer-paid or organization-paid tuition and tuition reimbursement plans.

(3) The employees or members enrolled under this program are eligible to be considered Maryland residents for purposes of State aid.

E. A student enrolling in a credit course or a noncredit continuing education course at a college shall indicate **BY ELECTRONIC SIGNATURE OR** in writing, on a form prescribed by the board of trustees of the college, whether the student is a resident of the State and the county or region (not applicable to Baltimore City Community College).

F. The following students shall be considered to be Maryland residents (not applicable to Baltimore City Community College):

(1) Military personnel and their dependents who have a domicile in Maryland at the time of entrance into the armed forces and who are stationed outside the State;

(2) Military personnel stationed in Maryland and on active duty who did not have a domicile in Maryland at the time of entrance into the armed forces, and their dependents;

(3) A student enrolled in a program designated by the Commission as a health manpower shortage program; and

(4) A student from outside the State who enrolls as part of a reciprocity agreement negotiated between Maryland and another state.

G. Nursing Students.

(1) A student from outside the State who is formally admitted and enrolled in an education program leading to licensure in nursing is considered a resident for tuition and State aid purposes if the student:

(a) Furnishes a surety bond or guaranteed promissory note to the Commission through the college, with security satisfactory to the Commission, that on completion of the nursing education program the student will work full-time in Maryland for at least 2 years in a hospital or related institution, as defined in Health-General Article, §19-301, Annotated Code of Maryland;

(b) Provides the surety bond or promissory note at the time of registration; and

(c) Reports the student's current address and employment status to the Commission each year after the student's graduation until the student's work obligation has been completed.

(2) Each college shall report by December 15 of each year to the Commission the total number of students participating in this program and the total dollar amount for the previous academic year.

H. An individual who the college determines to be a Maryland resident in accordance with this regulation is considered a Maryland resident for purposes of State aid.



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AGENDA ITEM SUMMARY

SUBJECT: Funding Guideline Modification for the University of Baltimore

COMMITTEE: Finance Policy Committee

DATE OF COMMISSION MEETING: September 25, 2002

STAFF: Monica E. Randall
Geoff Newman

SUMMARY: Modifies FTE enrollment calculation for University of Baltimore for determining funding guideline.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the proposed methodology for calculating the operating funding guideline for the University of Baltimore.



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MEMORANDUM

DATE: September 25, 2002

TO: Maryland Higher Education Commission

FROM: Finance Policy Committee

STAFF: Monica E. Randall
Geoff Newman

SUBJECT: Funding Guideline Modification for the University of Baltimore

In 1999, the Maryland Higher Education Commission developed operating funding guidelines for the public four-year higher education institutions. The basic concept of the funding guidelines is to identify peer institutions that are similar to the Maryland institution in size, program mix, enrollment composition, and other defining characteristics. After identifying a current set of peers, the financial characteristics of the peer institutions are analyzed to determine the resources available per full-time equivalent student (FTES). The overall goal is to fund Maryland's institutions at the 75th percentile of their current peer institutions.

In 2001, the Commission staff, in consultation with representatives from the University System of Maryland (USM), the Department of Legislative Services, the Department of Budget and Management, and Morgan State University, reviewed the funding guidelines process and established criteria for making adjustments to an institution's peer group that is not in the normal established cycle. It was determined that an institution may appeal to the Commission for modifications to its funding peer group if it believes circumstances warrant a change.

The University System of Maryland submitted a proposal to modify the funding guideline for the University of Baltimore (UB). During the development of the original guideline in 1999, UB was granted an exception in the adjusted full-time equivalent enrollment calculation due to the unique composition of its student body. The original guideline weighted enrollments at UB and its funding peers to reflect the higher costs associated with educating upper division students. The weightings were as follows: 1.0 for lower division undergraduate students; 1.5 for upper division undergraduate students; and 1.8 for all graduate and first professional students. This framework compensated for fewer undergraduate students and low cost programs at UB.

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The proposal is to change the weighting of all undergraduate students to 1.0. This modification is required due to a change in the Integrated Postsecondary Data Systems (IPEDS) data collection. Beginning with data from the 2000 enrollment survey, IPEDS no longer collects enrollment data by lower and upper division for undergraduate students. Therefore, it will not be possible to assign weights to upper and lower division students for UB's peers.

This method is consistent with all other USM institutions. The weighting of both the graduate and first professional students will remain at 1.8 which are based on the full instructional cost ratios per credit hour as reported in national studies (e.g., *The Journal of Education Finance*). The new enrollment calculation will be used in the fiscal 2004 operating budget cycle.

To summarize, the proposal is as follows:

- The adjusted full-time equivalent student enrollment (full-time students + 1/3 part-time students) is weighted as follows:

All undergraduate students = 1.0

Graduate students = 1.8

First professional students = 1.8

Impact of Proposal on University of Baltimore's Funding Guideline

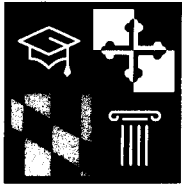
The table below compares the impact of this proposal on the university's fiscal 2004 funding guideline.

Table 1. Impact on University of Baltimore's Funding Guideline

	Original Method		Proposal	
Funding per FTES ¹	\$	10,184	\$	12,202
FY 2004 enrollment		5,524		4,898
Total Need	\$	56,256,416	\$	59,765,396
Estimated FY 04 tuition/fee revenue		(28,500,000)		(28,500,000)
FY 2004 Funding Guideline		27,756,416		31,265,396
FY 2003 Appropriation as a percent of funding guideline		88%		79%
Funding Guideline per AFTES	\$	5,025	\$	6,383

¹The unrestricted state and tuition/fee revenue per full-time equivalent student.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the proposed methodology for calculating the operating funding guideline for the University of Baltimore.



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AGENDA ITEM SUMMARY

SUBJECT: Guideline Revisions for the Community Colleges' Innovative Partnerships for Technology Program

COMMITTEE: Finance Policy Committee

DATE OF COMMISSION MEETING: September 25, 2002

STAFF: Monica E. Randall

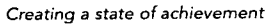
SUMMARY: Modifies guidelines for the Community Colleges' Innovative Partnerships for Technology Program to reflect the legislation passed by the 2002 Maryland General Assembly and the recommendations made by the Department of Budget and Management.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the guideline revisions for the Community Colleges' Innovative Partnerships for Technology Program.

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Secretary of Higher Education

**GUIDELINES FOR THE COMMUNITY COLLEGES'
INNOVATIVE PARTNERSHIPS FOR
TECHNOLOGY PROGRAM**

DIVISION OF FINANCE POLICY

**John J. Oliver, Jr.
Chair**

**Karen R. Johnson, J.D.
Secretary**

**Approved: November 10, 1998
Revised: September 2002**

GUIDELINES FOR THE COMMUNITY COLLEGES' INNOVATIVE PARTNERSHIPS FOR TECHNOLOGY PROGRAM (IPT)

I. Authority

Innovative Partnerships for Technology Program was enacted into law by the Maryland General Assembly, (Annotated Code of Maryland-Education Article Section 16-317) in 2001. (See Appendix A)

II. Purpose

To provide state-matching funds for donations from the private sector or public foundations for the technology needs of eligible institutions (community college campuses). The State will match an amount up to a maximum of ~~\$400,000~~ \$300,000 (dollar for dollar) per eligible institution to donations from eligible donors

III. Program Definitions

A. Eligible Program

Eligible program means any contribution for technology, which does not contain unreasonable restrictions as to use as defined by the Maryland Higher Education Commission.

B. "Technology"

Technology is defined in the law (Education Article, 16-317 (A)(9), Annotated Code of Maryland) to mean any hardware, software, communications infrastructure, and associated training and contracted services that enable local or global presentation, exchange, and transmission of information in digital or analog form for teaching, learning, student support services, and administration. The definition of technology includes capital expenditures but does not include staff.

C. Eligible Institutions and Sums

Eligible institutions are the community college campuses enumerated by law and do not include the colleges' affiliated foundations. Designated eligible institutions (community college campuses) that raise contributions up to a maximum of ~~\$200,000~~ \$150,000 in the first eligible period (FY ~~1999~~2003 - FY ~~2000~~2004) in monies and/or equipment from eligible donors above donations received during the base year period (Fiscal Year ~~1998~~2002, July 1, ~~1997~~2001 - June 30, ~~1998~~2002) specifically for technology will have that amount matched in whole contingent upon the availability of state funds.

~~VERY IMPORTANT NOTE:~~ Please note:- Only if an eligible institution receives voluntary donations of ~~\$200,000~~ \$150,000 during the first eligible period, will they then qualify to participate in the second eligible period.

The same eligible institutions (community college campuses) are also eligible to raise contributions, for state match purposes, up to ~~\$200,000~~\$150,000 for technology in a second eligible period (FY ~~2001~~2005- FY ~~2002~~2006) following the same guidelines as the first eligible period.

D. Eligible Donors

Eligible donor means any individual, corporation, partnership, organization, or other form of business organization, public or private foundation, or other nonprofit organization which makes a contribution that is an increase over the amount contributed by the donor during the base year, or a contribution made by a new donor during one or both of the eligible periods. Eligible donor may include a community college's affiliated foundation. Eligible donor does not include a local government, the State, the federal government, or any foreign government.

E. Eligible Contribution

An eligible contribution is any monetary or equipment donation specifically designated to benefit one or several eligible institutions received during one or both of the following periods: fiscal years ~~1999~~2003 and ~~2000~~2004; and fiscal years ~~2001~~2005 and ~~2002~~2006 that exceeds the base year (~~FY98~~)(FY 2002) donation.

The eligible contribution must be clearly designated for technology by the donor. Equipment donations must be assessed a fair market monetary value amount.

IV. Program Components

A. Base Year

Fiscal Year ~~1998~~2002 (July 1, ~~1997~~2001 - June 30, ~~1998~~2002) is the "base year" for comparing eligible donors and donations to the eligible institution during the eligible years when match funds are requested. The base year comparison should not include contributions made to an eligible institution during the base year by an eligible donor pursuant to legal or contractual obligations of the donor, including contributions from a community college's affiliated foundation for identified scholarship programs.

B. Eligible Periods

The first eligible period is FY 2003 (July 1, ~~1998~~2002 - June 30, ~~2000~~2003); and FY ~~1999~~2004 (July 1, ~~1998~~2003 - June 30, ~~1999~~2004).

The second eligible period is FY 2005 (July 1, ~~2000~~2004 - June 30, ~~2002~~2005; and FY ~~2001~~2006 (July 1, ~~2000~~2005 - June 30, ~~2001~~2006).

V. Record Keeping, Auditing, and Reporting Requirements

A. Record Keeping and Auditing Requirements

1. Eligible institutions must keep a separately identified account of donations received. Additionally, the administrations of eligible institutions should maintain records in support of all reports and claims filed for matching state payments.
2. Eligible institutions shall prepare and maintain a comprehensive list of the donations received and pledged amounts for the base year period of July 1, ~~1997~~2001 through June 30, ~~1998~~2002 (FY 2002). Please take note that the donor's names should be clearly delineated to avoid any ambiguities or conflicts. (i.e. John and Mary Smith instead of Mr. and Mrs. Smith). The listing of base year donations should be audited.
3. Eligible institutions receiving State payments under this program shall provide the Maryland Higher Education Commission one copy of its community college annual fiscal year audit and management report within 90 days of the close of each fiscal year. If a community college currently provides the Commission (Division of Finance Policy) with a copy of the annual audit and management report, it is not necessary to submit a second copy.
4. Examples of satisfactory documentation that a donation was for an eligible technology program includes but is not limited to: deeds of gifts; bequests; testamentary instruments; individual letters from donors or their designees; membership or alumni solicitation mailings; newsletters; public notices regarding contributions; event admission fees; posters or other publicity for fundraising events; scripts for telethons or for radio, television or telephone solicitations; or other written documentation that is retained by the receiving institution and provides positive evidence of the donor's intent.
5. Eligible institutions should maintain a record of the use of all donations, private and state matching funds, received for the technology program.
6. Eligible institutions are required to have an "independent auditor" certification form assuring that all monies, the donor's and matching State funds, are used exclusively for technology.
7. All relevant records should be kept through July 1, ~~2007~~2011, or until audited.

B. Reporting Requirements:

1. Claims should be submitted to the Maryland Higher Education Commission's Director of Grants Finance Policy in the format requested (see Appendix B) in each of the fiscal years of the two eligible periods.
2. Eligible institutions must submit all required forms for the annual report of donations and pledges and anticipated revenue by the dates specified by the Maryland Higher Education

Commission. The report of cash receipts and donations will be due within 120 days of the close of each fiscal year.

VI. State Match

Matching payments from funds appropriated by the State for any fiscal year will be prorated among eligible institutions, which have submitted valid claims of received eligible contributions.

1. Eligible contributions received in FY 2003 and reported to the Commission in FY 2004, will be State-Matched in FY 2005.
2. Eligible contributions received in FY 2004 and reported to the Commission in FY 2005, will be State-Matched in FY 2006.
3. Eligible contributions received in FY 2005 and reported to the Commission in FY 2006, will be State-Matched in FY 2007.
4. Eligible contributions received in FY 2006 and reported to the Commission in FY 2007, will be State-Matched in FY 2008.

VII. Guidance

1. The Commission's Director of Grants Finance Policy is authorized to provide, upon written request, guidance on any issue arising from the administration of this program.
2. Eligible institutions may appeal the Director's guidance determinations to the Secretary of Higher Education. All appeals must be submitted in writing within thirty (30) days ~~of~~ to the Director of ~~Grants~~ Finance Policy and contain detailed reasons that would justify reversal of the original decision, including all appropriate documentation. The Secretary will review each appeal and make a decision within sixty (60) days after receiving the appeal. Written notification will be provided. All decisions of the Secretary are final.

**Maryland Higher Education Commission's
Innovative Partnerships for Technology Program (IPT)
State-Matching Funds Allotment**

Eligible Institution	Community College Affiliation	Period I FY 2003- 2004	Period II FY 2005- 2006	Maximum State Share
Allegany	Allegany College of Maryland	\$150,000	\$150,000	\$300,000
Anne Arundel	Anne Arundel Community College	150,000	150,000	300,000
Baltimore City	Baltimore City Community College	150,000	150,000	300,000
La Plata	College of Southern Maryland	150,000	150,000	300,000
Leonardtown	College of Southern Maryland	150,000	150,000	300,000
Prince Frederick	College of Southern Maryland	150,000	150,000	300,000
Carroll	Carroll Community College	150,000	150,000	300,000
Catonsville	Community College of Baltimore Co.	150,000	150,000	300,000
Dundalk	Community College of Baltimore Co.	150,000	150,000	300,000
Essex	Community College of Baltimore Co.	150,000	150,000	300,000
Cecil	Cecil Community College	150,000	150,000	300,000
Chesapeake	Chesapeake College	150,000	150,000	300,000
Frederick	Frederick Community College	150,000	150,000	300,000
Garrett	Garrett College	150,000	150,000	300,000
Hagerstown	Hagerstown Community College	150,000	150,000	300,000
Harford	Harford Community College	150,000	150,000	300,000
Howard	Howard Community College	150,000	150,000	300,000
Germantown	Montgomery College	150,000	150,000	300,000
Rockville	Montgomery College	150,000	150,000	300,000
Takoma Park	Montgomery College	150,000	150,000	300,000
Prince George's	Prince George's Community College	150,000	150,000	300,000
Wor-Wic	Wor-Wic Community College	150,000	150,000	300,000
Net Totals		\$3,300,000	\$3,300,000	\$6,600,000

Note: In order to qualify for and participate in Period II State-matching funds, each eligible institution must meet the maximum donation goals of Period I.

Guidelines for the Community Colleges'
Innovative Partnership for Technology (IPT) Program

Frequently asked Questions (Q) and Answers (A)

Technology:

- Q. 1 Must the State's matching funds be used exclusively for technology as defined in the law and guidelines?
- A. 1 Yes, all monies, the donor's and State funds, must be used exclusively for technology.
- Q. 2 Are there examples of what is considered to be "technology"?
- A. 2 Technology needs generally cover instructional and administrative technology, intercampus networks and distance learning initiatives, technology support and campus technology infrastructure. For purposes of instructional, administrative, and research initiatives, institutions are looking toward expanded data networks and integrated networks for voice, video and data transmission. Institutions are creating intercampus links, synchronous transmission and enhancing traditional classrooms for multimedia applications and distributed learning or hyper learning models (stations for connections to Internet, databases, use of commercial products, etc.).

Some technology examples include:

Hardware/infrastructure/services: personal computers; T1 and ISDN lines; wiring; construction and renovation of classrooms for interactive or Internet connections; Codecs; whiteboards; faxes; video monitors and cameras; appropriate furniture; acoustics. compressed video equipment; desktop video conferencing equipment; telecommuting facilities; video production equipment; satellite/microwave downlink and uplink equipment; digital satellite upgrades; studio broadcast facilities; PBX systems; local area networks; and conduits to connect buildings.

Software/services: digitizing library resources; purchase of digital databases and the array of educational/administrative software; online services (registration conversion, aid awards, tutoring, help desk, etc.).

Training/development: conversion to computerized assessments; course development for online courses and/or other distance delivery (video, interactive, combinations); faculty/staff training in use of Internet; interactive classrooms; multimedia; video production; faculty training in instructional design and curriculum design for the student-centered distributed learning environment.

Q. 3 Can any piece or pieces of equipment be considered “technology”?

A. 3 The equipment must be in the possession of the eligible institution and comport to the definition of technology as noted in the law (Education Article 16-317 (A)(9), Annotated Code of Maryland). Eligible institutions should consult the Director of ~~Grants~~Finance Policy, Maryland Higher Education Commission, if an issue arises.

Q. 4 What are the parameters of a capital expenditure?

A. 4 Capital expenditures result in the acquisition of capital assets. A capital asset is defined as “any physical resource that benefits a program for more than one year”, and includes expenditures for land, buildings, improvements, equipment, and library books.

Q. 5 If a donor determines a piece of equipment to be “technology” and it does not fall within the guidelines for this program, can it still be included as a bona fide contribution?

A. 5 No, the equipment must meet the guidelines established by the Commission.

Eligible Periods:

Q. 6 When is an eligible contribution considered received?

A. 6 Any eligible contribution is considered received when the eligible institution has fiduciary or physical control of the asset. When received, it must be included in the report for the eligible period.

Q. 7 At what point in time is the contribution considered made to the college?

A. 7 The contribution is considered received and eligible when the eligible institution has control of the asset.

Q. 8 Are carry-overs from the first eligible period to the second eligible period permitted?

A. 8 No, the date a contribution is received governs. Pledges may be made to cover both eligible periods, but the actual date a donation is received governs the matching by the State.

Q. 9 If an eligible institution fails to generate the entire ~~\$200,000~~150,000 in the first eligible period, will it receive a match for the amount generated?

A. 9 Yes, the amount of eligible contributions received will be matched contingent on the availability of appropriated funds. The institution will not be eligible, however, for any matching funds during the second eligible period.

Q.10 If an eligible institution receives money or equipment in support of this program after the second eligible period has passed, can those assets be applied retroactively for a State match?

A. 10 No, all eligible contributions must be received within the eligible time frames noted in the guidelines.

Eligible Donor:

Q. 11 If a foundation contributed money to a community college campus during the base year in order to pay for scholarship programs, should the amount of that contribution be included in the base year comparison?

A. 11 The base year comparison should not include the foundation's base year contributions pursuant to its already existing legal or contractual obligations. This would include contributions the foundation was obligated to make to the community college campus for identified scholarship programs.

Q. 12 If a foundation receives a contribution that is intended by the donor to be used to establish or contribute to a "technology endowment" for a community college, will State matching funds be provided under the IPT program?

A. 12 The State will only match contributions received by a community college campus, not its affiliated foundation. To qualify for matching funds, the foundation must make a contribution to the community college campus, communicating to the college the original donor's intent. Consistent with Education Article, section 15-104(a)(1), Annotated Code of Maryland, the college should honor the original donor's intent by using the funds to establish a "technology endowment". This may be accomplished through the foundation so long as the provisions of Education Article, section 15-104(b)(4), Annotated Code of Maryland, are satisfied ("No funds shall be accepted from an affiliated foundation by a public institution of postsecondary education unless the fiscal affairs of the affiliated foundation are audited annually by an independent certified public accountant").

Q. 13 Will community college foundations receive state matching payments for contributions received?

A. 13 No, only eligible institutions (community college campuses) may receive matching state payments.

Q. 14 Can community college foundations accept contributions for the IPT program?

A. 14 Yes, however the foundation must transfer the contribution to the "eligible institution" during the "eligible period". A foundation is then treated as the donor. The amount eligible for state matching is determined by comparison to the base year contribution of the foundation.

Q. 15 If funds are given to the college's foundation, with appropriate instructions to use these funds for technology, is it considered a gift from the foundation or the original donor?

A. 15 When the funds are transferred to the institution by the foundation, the foundation is considered the donor. The foundation must specify that the donation be used for technology, consistent with the original donor's intent.

Q. 16 Can a donation be made to more than one eligible institution of the same community college?

A. 16 Yes, a donation can be made to more than one eligible institution (community college campus) as long as the donor specifically notes it is for a particular campus and designates the gift for technology.

Q. 17 A donor has contributed \$150,000 during one of the eligible periods, but has not specifically designated it for technology or for an eligible institution (community college campus), can it be applied by the eligible institution's administration to the technology program?

A. 17 Yes, the administration may declare the gift be used specifically for technology. To qualify for matching funds, however, the contribution must be designated for technology by the donor.

Q. 18 If an undesignated contribution is received, does the institution have a responsibility to contact the donor and receive a designation that the contribution is for technology under this program?

A. 18 Yes, the institution should request the donor specifically designate the gift for technology.

Q. 19 What if it's impossible to obtain a designation from the donor (i.e., gift from an estate or charitable contribution campaign)?

A. 19 The eligible institution may then designate the gift for the technology program.

Q. 20 Can general contributions received by the institution be designated for the IPT program?

A. 20 Yes, the administration of an eligible institution may specify that such contributions may be designated to benefit the IPT program. For example, funds received from the United Charities campaign may be applied to the IPT program by the eligible institution. General contribution refers to any gift that may be received as a result of an open campaign to encourage support of an institution. The example given was the check off system used in the annual statewide charities campaign, whereby a donor just selects one or more charities that he/she wants their donation sent to, without a particular use of the funds specified.

Q. 21 Can an eligible donor make more than one contribution during an eligible period?

A. 21 Yes, donors may contribute as often as they choose.

Eligible Contribution Amounts:

Q. 22 Must an eligible institution receive the entire ~~\$200,000~~\$150,000 in the first eligibility period in order to participate in the second eligibility period for matching State payments?

A. 22 Yes, the entire ~~\$200,000~~\$150,000 of eligible contributions, must be received by the eligible institution in the first eligible period to qualify to participate in the second eligible period for another ~~\$200,000~~\$150,000 match.

Q. 23 Are base year comparisons necessary in the second eligible period?

A. 23 Yes, each donation must be compared to the base year record, and only amounts in excess of the base year donation qualify for the IPT program if they are designated for technology.

Q. 24 How much of a gift of \$150,000 from a donor whose base year contribution was \$100,000 is applicable to this program?

A. 24 \$50,000 is the eligible contribution for this program since the first \$100,000 equals the base year amount. The entire donation must be designated for technology.

Q.25 If a donor whose base year contribution is \$100,000 donates another \$100,000 specifically designated for technology, is that amount eligible for this program?

A. 25 No, the amount although designated for technology, is not in excess of the donor's base year contribution.

Q. 26 A donor contributes \$160,000 for technology in the first eligible period; he had contributed \$100,000 during the base year, \$25,000 of which was in fulfillment of a prior year pledge, how much is the eligible contribution amount?

A. 26 \$85,000 is the eligible contribution that can be claimed as matching because:

(<u>\$100,000</u>)	Base year payment
<u>25,000</u>	Prior year pledge fulfillment
(<u>\$ 75,000</u>)	Base year contribution
<u>\$160,000</u>	Donation during eligibility period
\$ 85,000	Amount that can be claimed for state matching

Q. 27 If an institution receives \$300,000 from a new donor on June 30, ~~2000~~2003 what amounts can be used as an eligible contribution in the first and second periods?

A. 27 The eligible contribution for the first eligible period would be \$300,000; however, the State will only match up to the first ~~\$200,000~~\$50,000 received. There is no eligible contribution amount, \$0, for the second eligibility period, the funds were not received during the specified time frame. There is no provision for carry-over of excess donations from one eligibility period to the other.

Q. 28 Can a donor who contributed to the foundation in the base year, FY~~98~~02, contribute directly to the institution during the eligible period, and be considered a new donor? For example, Mr. Jones gave \$1,000 to the foundation in FY~~98~~02 and nothing directly to the community college in FY~~98~~02; then in FY~~99~~03 Mr. Jones gave \$1,000 to the community college for the technology program, would that be considered an eligible contribution?

A. 28 Yes, the donor contributing directly to the community college for the first time in FY~~99~~03 would be considered a new donor. In the example, \$1,000 would be treated as an eligible contribution for State matching. Note, if Mr. Jones had given the \$1,000 to the foundation in FY~~99~~02, it would not represent an increase over the base year amount; therefore, it would not be an eligible contribution amount (zero).

Deferred Gifts and Non-Cash Contributions

Q. 29 Can personal services be considered a donation eligible for state matching?
For example, a company provides technology equipment and personnel to install, maintain and train staff on usage.

A. 29 No, only monetary and equipment donations that can be assessed a value can be considered an eligible contribution for the technology program. Personal services are not eligible for State matching.

Q. 30 Are deferred gifts covered by the legislation?

A. 30 There is no reference to deferred gifts in the law. Eligible institutions should have control of the asset during the eligible period for it to be considered as an eligible contribution for this program.

Q. 31 How are Non-Cash Contributions valued?

A. 31 Non-cash contributions are valued at the amount, which is tax deductible per Internal Revenue Service regulations in force at the time of the donation. Under current provisions of the IRS Code, corporations that do not produce computer equipment may generally take a deduction equal only to their adjusted tax basis in the donated equipment. Institutions would also use that same amount as the value of received equipment. Eligible institutions should keep records of all valuations and the name and addresses of the evaluators and appraisers.

Q. 32 Can an institution refuse a donation for the IPT program?

A. 32 Yes, if an eligible institution determines that the cost to obtain a valuation of a gift or to maintain a gift is too costly, the donation may be refused, no state matching funds will be received. Alternately, the institution may accept the donation and elect not to report it for the purpose of securing matching funds.

Q. 33 If a corporate donor reduces the price of data processing equipment as a contribution to the college technology program, can that difference be treated as an eligible contribution? For example, the sale of 100 new computers was quoted to be \$75,000, but as a technology program contribution the corporation only requires payment of \$25,000, will the \$50,000 be eligible for state matching. The corporate donor had never made a contribution or sales price reduction to the institution before.

A. 33 Yes, the amount of \$50,000 could be treated as an eligible contribution. Written documentation from the corporate donor should be on file at the institution to support the donation and transaction.

Q. 34 In FY 9802 a corporation donated \$10,000 in cash to a community college, and in FY9903 it provided the college with a gift of 10 new Pentium computers. The fair market value of the computers is \$25,000, can this be treated as an eligible contribution?

A. 34 Yes, the amount of the eligible contribution would be \$15,000, the increase amount over the base year donation. Written documentation must be obtained of the fair market value of the donation and the condition, new, of the gift. The value of a non-cash contribution should be verified during the annual audit.

Q. 35 If a company is discarding used equipment, can it be considered an eligible contribution?

A. 35 Possibly, if an independent appraisal can be made of the equipment and the value exceeds the base year contribution amount of the donor. Equipment received should be in good condition and not require extensive modifications and upgrades to be useable by the institution. Extreme caution should be used by the institution in accepting used equipment that may cost more to upgrade and maintain than the purchase of new equipment. Also, the equipment should have a useful life comparable with other like assets of the company. The written independent appraisal value should be on file and available for audit. The Orion Computer Blue Book may be used to obtain a value for some computers.

Penalties:

Q. 36 Will an eligible institution be penalized if it fails to submit the required reports in a timely manner?

A. 36 Yes, reports must be filed in accordance with dates requested by MHEC to be considered for state matching.

Appendix A

HOUSE BILL 1237

Unofficial Copy
F2

2002 Regular Session
(2lr1924)

ENROLLED BILL

-- Appropriations/Education, Health, and Environmental Affairs and Budget and Taxation --

Introduced by ~~Delegate Turner~~ **Delegates Turner, Proctor, D'Amato, V. Jones,
Hubers, Stocksdales, and Kagan**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this
____ day of _____ at _____ o'clock, ____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Higher Education - Community Colleges - Innovative Partnerships**
for
3 **Technology Program**

4 FOR the purpose of extending the Innovative Partnerships for Technology Program
5 for State community colleges for a certain number of years; *altering the*
6 *institutions eligible under the program*; requiring the State to make certain
7 payments to community colleges with respect to certain contributions made by
8 eligible donors before certain dates; modifying the definition of a certain term;
9 and generally relating to community colleges and higher education.

10 BY repealing and reenacting, with amendments,
11 Article - Education
12 Section 16-317
13 Annotated Code of Maryland
14 (2001 Replacement Volume)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - Education**

4 16-317.

5 (a) (1) In this section the following words have the meanings indicated.

6 (2) "Base year" means [July 1, 1997] JULY 1, 2001 through [June 30,
7 1998] ~~JULY 1~~ JUNE 30, 2002.

8 (3) "Contribution" means monetary and equipment donations that have
9 been assessed a monetary value amount for the purposes of determining the State
10 payment.

11 (4) (i) "Eligible donor" means any individual, corporation,
12 partnership, or other form of business organization, public or private foundation, or
13 other nonprofit organization.

14 (ii) "Eligible donor" does not include a local government, the State,
15 the federal government, or any foreign government.

16 (5) "Eligible institution" refers to the following community college
17 campuses:

18 (i) Allegany;

19 (ii) Anne Arundel;

20 (iii) Baltimore City;

21 (iv) ~~Calvert~~;

22 (v) Carroll;

23 (vi) ~~(V)~~ Catonsville;

24 (vii) ~~(VI)~~ Cecil;

25 (viii) ~~Charles~~;

26 (ix) ~~(VII)~~ Chesapeake;

27 (x) ~~(VIII)~~ Dundalk;

28 (xi) ~~(IX)~~ Essex;

29 (xii) ~~(X)~~ Frederick;

30 (xiii) ~~(XI)~~ Garrett;

1 (~~xiv~~) (XII) Germantown;

2 (~~xv~~) (XIII) Hagerstown;

3 (~~xvi~~) (XIV) Harford;

4 (~~xvii~~) (XV) Howard;

5 (XVI) LA PLATA;

6 (XVII) LEONARDTOWN;

7 (XVIII) PRINCE FREDERICK;

8 (~~xviii~~) (XIX) Prince George's;

9 (~~xix~~) (XX) Rockville;

10 (~~xx~~) St. Mary's;

11 (~~xxi~~) Takoma Park; and

12 (~~xxii~~) Wor-Wic.

13 (6) "Eligible program" means any contribution for technology which does
14 not contain unreasonable restrictions as to use as further defined by the Maryland
15 Higher Education Commission.

16 (7) "First eligible period" means fiscal years [1999] 2003 and [2000]
17 2004.

18 (8) "Second eligible period" means fiscal years [2001] 2005 and [2002]
19 2006.

20 (9) (i) "Technology" means the hardware, software, communications
21 infrastructure, and associated training and contracted services that enable local or
22 global presentation, exchange, and transmission of information in digital or analog
23 form for teaching, learning, student support services, and administration.

24 (ii) "Technology" may include capital expenditures.

25 (iii) "Technology" does not include staff.

26 (b) (1) Each eligible institution shall receive from the State, in the manner
27 and subject to the limitations of this section, with respect to the contributions made
28 by eligible donors as voluntary donations at any time during the first eligible period
29 to the eligible institution for eligible programs, an amount equal to the first \$200,000
30 or any portion thereof from contributions by eligible donors.

31 (2) If an eligible institution qualifies for the maximum State
32 contribution of \$200,000 ~~\$100,000~~ \$150,000 in the first eligible period, the eligible

1 institution shall receive from the State, in the manner and subject to the limitations
2 of this section, with respect to the contributions made by eligible donors as voluntary
3 donations at any time during the second eligible period to the eligible institution for
4 eligible programs, an amount equal to the first \$200,000 ~~\$100,000~~ \$150,000 or any
5 portion thereof from contributions by eligible donors.

6 (c) Payments shall be made by the State:

7 (1) In the first eligible period, only with respect to contributions which
8 are paid by the eligible donors to the eligible institution before [July 1, 2000] JULY 1,
9 2004;

10 (2) In the second eligible period, only with respect to contributions which
11 are paid by the eligible donors to the eligible institution before [July 1, 2002] JULY 1,
12 2006; and

13 (3) In the second fiscal year following the fiscal year during which the
14 contributions are made.

15 (d) Contributions made by the State under this section may not exceed
16 ~~\$200,000~~ ~~\$100,000~~ \$150,000 during each eligible period to each eligible institution.

17 (e) (1) To determine eligibility for State payments, each contribution shall
18 be compared to the amount contributed during the base year. The following criteria
19 shall be the basis for comparison:

20 (i) Each contribution must be from a new donor; or

21 (ii) Each contribution must represent an increase over the amount
22 contributed by the donor during the base year.

23 (2) A contribution received during the base year that fulfills a pledge
24 made prior to the base year may not be included in the determination of the
25 contribution made during the base year.

26 (3) Each contribution must be specifically designated for technology.

27 (f) Contributions made by the State under this section may be applied to any
28 eligible technology expense at an eligible institution to which the payment is made.

29 (g) Contributions made by the State to any eligible institution under this
30 section may not directly or indirectly reduce the State General Fund or capital fund
31 support for the eligible institution.

32 (h) The Maryland Higher Education Commission shall:

33 (1) Adopt regulations necessary for the administration of this section;
34 and

1 (2) Submit to the Governor and, in accordance with § 2-1246 of the State
2 Government Article, to the General Assembly an annual report summarizing the total
3 amount of funds pledged by eligible donors and total amount of funds raised.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2002.

Appendix B

Form B – 1**Date Due: Draft Due July****Final Due: October 31****COMMUNITY COLLEGES'
INNOVATIVE PARTNERSHIPS FOR TECHNOLOGY (IPT) PROGRAM****Donations**

Fiscal Year 20__

Period: July 1, 20 - June 30, 20

Eligible Institution: _____

Total Amount Received: \$ _____

Received the following donations designated for technology

*Indicate Appraiser – (A) Donor (B) College, or (C) Independent Evaluator

Donor	<i>Pledge Amount</i>	<i>Cash Received</i>	<i>Equipment*</i>	<i>Other</i>	<i>Total</i>
Individuals:	\$	\$	\$	\$	\$
Private Sector (Business, etc):					
Foundations:					
Other:					
TOTAL:					

We certify that the information presented above is correct:

Chief Development Officer, Signature_____
Typed Name_____
Date_____
Chief Financial Officer, Signature_____
Typed Name_____
Date

Contact for questions:

Name: _____

Title: _____

Phone: _____

E-mail: _____

Final Due: October 31For the period July 1, 20 – June 30, 20

Foundation Chief Financial Officer, Signature	Typed Name	Date
-----------------------------------------------	------------	------

Form: B-3

Date Due: Draft Due July 15

Final Due: October 31

**COMMUNITY COLLEGES'
INNOVATIVE PARTNERSHIPS FOR TECHNOLOGY (IPT) PROGRAM**

Projections of Pledges

Fiscal Year 20

Period: July 1, 20 – June 30, 20

Eligible Institution _____ projects monetary and equipment
Pledges of \$ _____

We estimated the following:

Number of Donors	Prior Year Pledges Uncollected	Current Year Pledges Uncollected	Equipment	Other	Total

Use additional sheets if necessary

We certify that the information presented above is correct:

Chief Development Officer, Signature

Typed Name

Date

Chief Financial Officer, Signature

Typed Name

Date

Form: B-4
Date Due: Draft Due July 15
Final Due: October 31

**COMMUNITY COLLEGES'
INNOVATIVE PARTNERSHIP FOR TECHNOLOGY (IPT) PROGRAM**

Technology Program Expenditures

Fiscal Year 20__

Period: July 1, 20__ – June 30, 20__

The following expenditures were made with funds (public, private, local and state) received in support of the technology program at _____ .
name of eligible institution

Equipment	\$
Student Support	
Capital Expenses	
Other	
Total	\$

Note: A computer generated printout may be attached to support amounts.

We certify that the information presented above is correct.

Chief Development Officer, Signature	Typed Name	Date
--------------------------------------	------------	------

Chief Financial Officer, Signature	Typed Name	Date
------------------------------------	------------	------

Form: B- 5
Date Due: Draft Due July 15
Final Due: October 31

COMMUNITY COLLEGES'
INNOVATIVE PARTNERSHIPS FOR TECHNOLOGY (IPT) PROGRAM

Independent Certification Form

Institution: _____

Eligible donations and State matching funds must be kept in a separately identified account.

	FY99	FY00	FY01	FY02	FY03	FY04	FY05
Donor Funds							
State Matching Funds	N/A						

“Eligible donations and matching State payments have been placed in a separately identified account and its use is restricted solely for technology expenditures as specified by the Maryland Higher Education Commission.”

The above information regarding donations and grant receipts agrees with records of

(State Institution or Foundation)

If it does not, please note any exceptions below:

Independent Auditor: _____

Signature: _____

Date: _____



MHEC

Creating a state of achievement

Parris N. Glendening
Governor

Kathleen Kennedy Townsend
Lt. Governor

John J. Oliver, Jr.
Chairman

Karen R. Johnson
Secretary of Higher Education

AGENDA ITEM SUMMARY

SUBJECT: Guideline Revisions for the Private Donation Incentive Program

COMMITTEE: Finance Policy Committee

DATE OF COMMISSION MEETING: September 25, 2002

STAFF: Monica E. Randall

SUMMARY: Revises guidelines for the Private Donation Incentive Program to reflect the legislation passed by the 2002 Maryland General Assembly and the recommendations made by the Department of Budget and Management.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the guideline revisions for the Private Donation Incentive Program.



Parris N. Glendening
Governor

Kathleen Kennedy Townsend
Lt. Governor

John J. Oliver, Jr.
Chairman

Karen R. Johnson
Secretary of Higher Education

MEMORANDUM

DATE: September 25, 2002

TO: Maryland Higher Education Commission

FROM: Finance Policy Committee STAFF: Monica E. Randall

SUBJECT: Guideline Revisions for the Private Donation Incentive Program

The Private Donation Incentive Program (PDIP) provides State-matching funds to promote private fundraising within Maryland's public colleges and universities and to encourage public institutions of higher education to increase the public's level of gifts and donations to the institution's endowments. During the 2002 Maryland Legislative Session, the General Assembly passed legislation that increased to \$1.25 million the maximum State match for eligible donations made to the University of Maryland Baltimore County. The enhanced State match applies to private donations pledged on or after July 1, 2001.

In May 2002, the Department of Budget and Management (DBM) completed an audit of the PDIP and recommended revisions to the current guidelines. Based on DBM's recommendations, the Commission will now require all institutions to submit all forms before receiving a State match. This will ensure funds requested by the institutions can be verified before the budget submission deadline. Institutions that are unable to submit all documentation by the November 1 deadline will not be eligible for a State match until the subsequent fiscal period. In addition, the guidelines have been revised to include instructions for completing the forms.

The attached guidelines reflect the legislation passed by the 2002 Maryland General Assembly and the recommendations made by the Department of Budget and Management.

RECOMMENDATION: It is recommended that the Maryland Higher Education Commission approve the guideline revisions for the Private Donation Incentive Program.

MARYLAND HIGHER EDUCATION COMMISSION

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GUIDELINES FOR THE PRIVATE DONATION INCENTIVE PROGRAM

DIVISION OF FINANCE POLICY

John J. Oliver, Jr.
Chair

Karen R. Johnson, J.D.
Secretary

Revised: September 2002

**GUIDELINES FOR THE
PRIVATE DONATION INCENTIVE PROGRAM**

A. AUTHORITY

Education Article, Title 17 (Financial Aid to Institutions of Higher Education), Subtitle 3 (Private Donation Incentive Program), Section 17-301. Annotated Code of Maryland.

B. PURPOSE

To encourage public institutions of higher education to increase the level of private contributions to their endowments, the State will match eligible contributions from eligible donors to public institutions of higher education or their affiliated foundations.

C. ELIGIBLE INSTITUTIONS AND MAXIMUM STATE MATCHING FUNDS

The following is the list of institutions eligible to participate in this program and the maximum State matching funds for which they are eligible during the lifetime of the Private Donation Incentive Program.

Community College Campuses

Allegany College of Maryland	\$ 250,000
Anne Arundel Community College	\$ 250,000
Baltimore City Community College	\$ 250,000
Carroll Community College	\$ 250,000
Cecil Community College	\$ 250,000
Chesapeake College	\$ 250,000
College of Southern Maryland:	
Calvert Campus LaPlata	\$ 250,000
Charles Campus Leonardtown	\$ 250,000
St. Mary's Campus Prince Frederick	\$ 250,000
Community College of Baltimore County:	
Catonsville Campus	\$ 250,000
Dundalk Campus	\$ 250,000
Essex Campus	\$ 250,000
Frederick Community College	\$ 250,000
Garrett Community College	\$ 250,000
Hagerstown Community College	\$ 250,000
Harford Community College	\$ 250,000
Howard Community College	\$ 250,000
Montgomery College:	

	Germantown Campus	\$ 250,000	
	Rockville Campus	\$ 250,000	
	Takoma Park Campus	\$ 250,000	
	Prince George's Community College	\$ 250,000	
	Wor-Wic Community College	\$ 250,000	
<i>HBCU's</i>			
	Morgan State University	\$ 1,500,000	
	Bowie State University	\$ 1,500,000	
	Coppin State College	\$ 1,500,000	
	University of Maryland Eastern Shore	\$ 1,500,000	
<i>Four-Year Institutions</i>			
	Frostburg State University	\$ 750,000	
	Salisbury State University	\$ 750,000	
	St. Mary's College of Maryland	\$ 750,000	
	Towson University	\$ 750,000	
	University of Baltimore	\$ 750,000	
	University of Maryland University College	\$ 750,000	
	University of Maryland Baltimore County	\$ 750,000	
<i>Research Institutions</i>			
	University of Maryland, Baltimore	\$ 1,250,000	
	<u>University of Maryland Baltimore County</u>	<u>\$ 1,250,000</u>	
	University of Maryland, College Park	<u>\$ 1,250,000</u>	
	<i>Total Maximum State Matching</i>	<u>\$19,250,000</u>	
		<u>\$19,750,000</u>	

D. MATCHING RATIOS

1. For the first \$250,000, or any portion thereof, the State will provide one dollar for each dollar donated.
2. For the next \$1,000,000, or any portion thereof, the State will provide one dollar for every two dollars donated.
3. For the next \$1,500,000, or any portion thereof, the State will provide one dollar for every three dollars donated.
4. Starting July 1, 2001, the matching formula changed for the named HBCU's. For donations made to the HBCU's after July 1, 2001, the State will match the first \$ 250,000 on a 2:1 basis and the next \$ 1 million, on a 1:1 basis.
5. No eligible institution shall receive more than the maximum prescribed in Section C.

E. DEFINITIONS

1. **Affiliated Foundation.** A foundation is eligible to receive contributions under this specific program if:
 - a. It is an affiliated foundation within the meaning of that term in Section 15-104 of the Education Article of the Annotated Code of Maryland;
 - b. It has been approved by the appropriate governing board to be operated as an affiliated foundation; and
 - c. Its fiscal affairs are audited annually by an independent certified public accountant.

If a foundation is affiliated with more than one eligible institution, it should segregate contributions received under this program into endowments dedicated to the specific eligible institution for which the contribution was designated.

2. **Eligible Donor.** An eligible donor is any individual, corporation, partnership, or other form of business organization, public or private foundation (other than those eligible to participate in this program), or other nonprofit organization. Eligible donors do not include the State, any of its subdivisions, the federal government or any foreign government.
3. **Eligible Contribution.** An eligible contribution is:
 - a. Specifically designated as an endowment from an eligible donor for an eligible program.
 - b. Specifically designated to benefit one eligible institution.
 - c. Pledged during the period July 1, 1998 through June 30, 2004 and **paid** prior to July 1, 2004.
 - d. May be used for only one matching State program.
4. **Endowment.** An endowment is any contribution or gift that has been provided under the condition that the principal remain intact and be invested in perpetuity for the purpose of producing income.
5. **Eligible Program.** An eligible program is any endowment for an academic purpose, which does not contain unreasonable restrictions as to use. The endowment should support activities consistent with the accepted role and approved mission of the institution. Priority should be given to seeking endowment contributions, which enhance the primary functions of the institution, i.e., instruction, research, and public service, including scholarships for students. Please note that an eligible program does not include any endowment that supports intercollegiate athletic programs.

F. BASE YEAR

1. The base year period begins in July 1, 1997 and ends June 30, 1998 (fiscal year 1998). Payments made during the base year fulfilling pledges made prior to July 1, 1997 are not included in the determination of the amount donated during the base year. ~~Pledges made during the base year are included in the determination of the amount donated during the base year.~~
2. Eligible institutions and their affiliated foundations shall prepare and maintain for audit purposes a comprehensive list of contributors and the amounts contributed by each for the period of July 1, 1997 through June 30, 1998, the base year.

G. AMOUNT ELIGIBLE FOR STATE MATCH

Subject to the limitations prescribed in Sections C. and D., and if all other criteria are met, the State will match:

1. The full amount contributed by a donor who did not contribute to the institution, its affiliated foundation(s) or its endowment(s) during the base year; July 1, 1997 - June 30, 1998.
2. The increase in the amount given by a donor over the amount given by the donor to the institution, its affiliated foundation(s) or its endowment(s) during the base year, July 1, 1997 - June 30, 1998.

H. NON-CASH CONTRIBUTIONS AND DEFERRED GIFTS

Non-cash contributions will be valued at the amount which is tax-deductible as determined in accordance to the Internal Revenue Service Regulations. A deferred gift wherein actual funds may not be received for many years, may be eligible (to the extent that it meets the stipulations set forth in E. and G.), if the institution receiving the gift (or its affiliated foundation) has control of the asset. Payment must be received by June 30, 2004.

I. RECORD KEEPING AND AUDIT REQUIREMENTS

Satisfactory documentation that a donation was for an endowment and to a particular institution includes but is not limited to: deeds of gifts; bequests; testamentary instruments; individual letters from donors or their designees; membership or alumni solicitation mailings; newsletters; public notices regarding contributions, admission fees, or gift shop sales; posters or other publicity for fundraising events; scripts for telethons or for radio, television or telephone solicitations; or other written documentation that is retained by the receiving institution and provides positive evidence of donative's intent. Eligible institutions and affiliated foundations receiving State payments under this

program shall provide the Maryland Higher Education Commission two copies of an annual audit of all **disbursements**, pledged and paid amounts and sources. The Commission will provide one copy of the annual audit to the Legislative Auditor. The Commission must receive an annual independent certification as to the eligibility of claimed donations. This statement may be included within the audit report.

J. PROCEDURES FOR CLAIMING STATE MATCHING FUNDS

Claims may be submitted annually to the Secretary of Higher Education by the president of an eligible institution. The Maryland Higher Education Commission must receive claims for contributions received during any fiscal year by November 1 of the following fiscal year. Funds appropriated for this program for any fiscal year will be prorated proportionally among eligible institutions that have submitted valid claims of paid eligible contributions.

K. PAYMENTS

1. Amounts paid by the State under this program may be applied to any eligible program at the eligible institution to which the payment is made.

L. NON-REGULATORY GUIDANCE

1. The Commission's Director of ~~Grants~~ Finance Policy is authorized to provide, upon written request, guidance on any issue arising from the administration of this program.
2. Eligible institutions may appeal the Director's guidance determinations to the Secretary of Higher Education. All appeals must be submitted in writing within thirty (30) days of the Directors of ~~Grants~~ Finance Policy's notice and contain detailed reasons that would justify reversal of the original decision, including all appropriate documentation. The Secretary will review each appeal and make a decision within sixty (60) days after receiving the appeal. Written notification will be provided. All decisions of the Secretary are final.

EXAMPLES OF CALCULATIONS FOR STATE MATCH

Example 1:

John Doe contributed \$1,000 during the base year (July 1, 1997 - June 30, 1998). He contributed \$1,000 in July 1998, **MATCH:** There would be no State match since his contribution in July 1998 was not an increase over his contribution during the base year.

Example 2: Jane Doe contributed \$1,000 during the base year. She contributed \$1,500 in July 1998.

MATCH: The State would match \$500 since her contribution in July, 1998 was a \$500 increase over her contribution in the base year. Jane Doe contributed \$1,000 in July 1999.

MATCH: The State would not provide any match for this contribution, as it did not exceed the base year contribution.

Example 3:

John Doe pledged \$1,500 in May 1998 to be paid over the next three years. In July 1998 he contributed \$1,500, \$500 as the first installment of his May 1998 pledge, and \$1,000 as an additional contribution

MATCH: The State would match \$1,000.

Instructions for Completing Required Forms

Please note that draft forms are due to MHEC on or before July 15, identifying preliminary eligible matching funds. The final, audited forms are due no later than November 1.

- 1.) Certification Statement Form is a self-explanatory form outlining certification of eligible matches, foundation deposits and contribution requirements. This form is signed by institution officials and certifies the cash donation amount being claimed.
- 2.) Form 1 is a detailed breakdown of the endowment information of eligible matching funds shown on the certification statement along with personal information for the contact person. This form identifies the endowment name, amount of donation, and purpose for which matching State funds are claimed. The donation amount should match the amount listed on the Certification Statement.
- 3.) Form 2 is a detailed breakdown of the endowment information of actual State matching funds allowed and paid under this program. This form identifies the endowment name, amount of donation, and purpose, and where the State matching funds will be distributed.
- 4.) Form 3 is the itemized breakdown of eligible matching funds by donor category from the amount shown on the certification statement. This form lists the categories of donors, the number of donors, and the amount donated. The amount on this form must match the amount on the Certification Statement.
- 5.) Form 4 is the payee designation form. It provides the Commission with the information necessary to forward any matching claim to the institution or foundation.
- 6.) Form 5 is the independent auditor certification form verifying eligible donations and State matching funds. This form lists the donor funds and State matching funds for each applicable year. The independent auditor must certify that the eligible donations and State matching payments have been placed in an endowment fund.

**PRIVATE DONATION INCENTIVE PROGRAM
CERTIFICATION STATEMENT FOR**

(Name of the Institution)

We certify that during Fiscal Year ____ (July 1, through June 30,)

_____ has received _____
(Name of Institution) (Dollar Amount)

and _____ has received
(Name of Affiliated Foundation)

_____ for a total of _____
(Dollar Amount) (Dollar Amount)

in contributions which meet the requirements of the Private Donation Incentive Program as described in Title 17, Subtitle 3, Sections 17-301 through 17-306 of the Education Article of the Annotated Code of Maryland, the Maryland Higher Education Commission Guidelines for the Private Donation Incentive Program, and all non-regulatory guidance issued by the Secretary of Higher Education.

Specifically, we certify that:

1. The total dollar amount being certified and for which matching State funds are being claimed are actual donations, not pledges.
2. The affiliated foundation is within the meaning of that term as defined in Section 15-104 of the Education Article of the Annotated Code of Maryland, is approved by the appropriate institutional governing board to operate as an affiliated foundation, and has its fiscal affairs audited annually by an independent certified public accountant.
3. All contributions for which matching State funds are claimed have been made to support this institution and have been specifically designated by the donor for endowments as defined in Section E of the Maryland Higher Education Commission Guidelines for the Private Donation Incentive Program.
4. All contributions are from donors who did not contribute during the base year, July 1, 1997 through June 30, 1998 or represent increases by the donors from the contributions made during the base year.

5. All contributions have been made under the condition that the principal of each endowment will remain intact and will be invested in perpetuity for the purpose of producing income.
6. Income from all endowments, which will receive funds under this program, will be used solely for academic purposes that are consistent with the role and mission of the institution as approved by the Maryland Higher Education Commission.
7. All contributions made to a foundation affiliated with more than one institution were for endowments to support this specific institution.
8. No endowment, which is to receive matching State funds under this program, supports intercollegiate athletic programs or athletic scholarships.
9. All matching State funds received through the Private Donation Incentive Program will be assigned to eligible endowments as defined in Section E of the Maryland Higher Education Commission Guidelines to support this institution.

We further certify that the accompanying endowment and donor information forms are to our best knowledge true and correct.

President of the Institution (Signature)

(Typed Name)

Chief Development Officer (Signature)

(Typed Name)

Chief Financial Officer/Comptroller of the
Institution* (Signature)

(Typed Name)

Chief Executive Officer (Signature)
of the Affiliated Foundation**

(Typed Name)

Treasurer of the Affiliated
Foundation** (Signature)

(Typed Name)

*Necessary only if some contributions were donated to the institution.

**Necessary only if some contributions were donated to an affiliated foundation.

PRIVATE DONATION INCENTIVE PROGRAM
FY __ ELIGIBLE ENDOWMENT INFORMATION FUNDS

Institution: _____

List all endowments toward which contributions have been made and for which matching State funds are claimed.

Name of Endowment	Amount*	Purpose

Total: (Should equal \$ amount \$ _____
in Certification Statement)

*Please round all figures to the nearest dollar

Question or comments regarding this submission should be directed to:

Name: _____
Title: _____
Address: _____
Phone #: _____
E-mail: _____

PRIVATE DONATION INCENTIVE PROGRAM
FY ____ STATE MATCHING ENDOWMENT INFORMATION FUNDS

Institution: _____

State matching funds will be distributed as follows:

Name of Endowment	Amount*	Purpose

*Please round all figures to the nearest dollar.

PRIVATE DONATION INCENTIVE PROGRAM
FY __ ELIGIBLE ENDOWMENT INFORMATION FUNDS BY CATEGORY

Institution: _____

Using the categories below, tally the donors for whose contributions matching State funds are claimed.

Categories of Donors	Total Number of Donors	Total Amount Donated by These Donors
Alumni**		\$
Parents**		
Trustees/Employees**		
Other Individuals		

Unduplicated Count of Persons		
Foundation		
Corporations/Businesses		
Religious Organizations		
Fund-raising Consortia		
Other Organizations		
Totals		

* Please round all figures to the nearest dollar.

** Individual donors and their contributions should be included in each of the categories.

*** The sum of these totals should agree with the amount on the Certification Statement and Endowment Information Form - 1.

**PRIVATE DONATION INCENTIVE PROGRAM
FY __ PAYEE DESIGNATION FORM**

State Matching Payments may be made to each public sector, higher education institution or its affiliated foundation.

Payments of FY__ funds are to be disbursed to: (check only one)

_____ Institution

_____ Foundation

Check Payable to: _____

Complete Mailing Address:

Employer I.D.: _____

If four-year institution designated, payment must be processed through the State Comptroller.

RSTARS Codes: Agency:_____ Program:_____ Fund:_____

Transaction Code:_____

Copy of RSTARS transmittal interface information should be sent to:

**PRIVATE DONATION INCENTIVE PROGRAM
INDEPENDENT CERTIFICATION**

Institution: _____

**Eligible Actual Donations and State Matching Funds Placed in Endowment
Accounts:**

**Eligible Actual Donations and State Matching Funds
Placed in Endowments Accounts**

	FY99	FY00	FY01	FY02	FY03	FY04	FY05
Donor Funds							
State Matching Funds	N/A						

“Eligible donations and matching State payments have been placed in an endowment fund restricted to academic purposes and that disbursement from these accounts have been made in accordance with the provisions of the endowment.”

The above information regarding donations and grant receipts agrees with records of

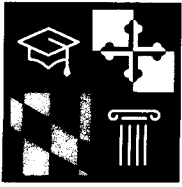
(State Institution or Foundation)

If it does not, please note any exceptions below:

Independent Auditor: _____

Signature: _____

Date: _____



MHEC

Creating a state of achievement

Parris N. Glendening
Governor

Kathleen Kennedy Townsend
Lt. Governor

John J. Oliver, Jr.
Chairman

Karen R. Johnson
Secretary of Higher Education

AGENDA ITEM SUMMARY

SUBJECT: Report on Programs Reviewed from May 16, 2002 to August 15, 2002

COMMITTEE: Education Policy Committee

DATE OF COMMISSION MEETING: September 25, 2002

STAFF: Dr. John A. Sabatini, Jr.
Dr. Michael J. Kiphart

SUMMARY: During the past few months, the Secretary of Higher Education acted favorably on 2 degree programs at independent colleges and universities; 8 degree and 7 certificate programs at public four-year colleges and universities; and 3 degree and 23 certificate programs at public community colleges. In addition, 3 off-campus programs and 1 out-of-state program were reviewed and approved. Institutions submitted 5 academic programs to be discontinued.

RECOMMENDATION: This item is for information only.



MHEC

Creating a state of achievement

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Governor

Kathleen Kennedy Townsend
Lt. Governor

John J. Oliver, Jr.
Chairman

Karen R. Johnson
Secretary of Higher Education

MEMORANDUM

DATE: September 25, 2002

TO: Maryland Higher Education Commission

FROM: Karen R. Johnson, J. [Signature]

SUBJECT: Report on Programs Reviewed from May 16, 2002 to August 15, 2002

During the past few months, the Secretary of Higher Education acted favorably on 2 degree programs at independent colleges and universities; 8 degree and 7 certificate programs at public four-year colleges and universities; and 3 degree and 23 certificate programs at public community colleges. In addition, 3 off-campus programs and 1 out-of-state program were reviewed and approved. Institutions submitted 5 academic programs to be discontinued.

I. PROGRAMS FAVORABLY REVIEWED AND APPROVED

Independent Colleges and Universities

Capitol College

Master of Science in Electrical Engineering (Approved 7-24-02)

The Master of Science in Electrical Engineering program provides students with the advanced knowledge and skills necessary to design and use modern computer-based design and analysis software. Online design workstations are deployed that allow students to log in and use modern design and simulation platforms to test their design. The emphasis on the program is centered on developing skills required to design engineering solutions that meet industrial, military, and international technical standards.

Mount St. Mary's College

Bachelor of Science in Information Systems (Approved 7-8-02)

This program is designed to prepare students to successfully enter the work force and help fill business, industry, and government needs for qualified candidates in information technology areas, particularly technical and managerial positions. The students will develop an understanding of the purpose, methods, and substance of information systems. In achieving a number of goals required by the program the students will be expected to understand the role that information systems play in modern organizations and recognize the relevance of information systems for managing knowledge and making decisions.

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Community Colleges

Anne Arundel Community College

Associate of Science in Forensic Science (Approved 5-20-02)

This program prepares students in the area of criminal investigation and forensic science. The program prepares students and professionals in the field to understand criminal investigation, criminal law, criminal evidence and procedure, chemical and physical laboratory analysis, evidence identification and classification, and court testimony. The program is a transfer program designed for students that are planning to continue their studies at another college or university offering a Bachelor of Science degree in Forensic Science.

College of Southern Maryland

Associate of Arts in Teaching (Elementary AAT) (Approved 5-23-02)

The College of Southern Maryland is now one of the many community colleges currently approved to offer the AAT degree. The concept was developed collaboratively by two-year and four-year higher education faculty from Maryland colleges and universities in response to Maryland and national workforce needs. The AAT will provide a seamless articulation process in which students may transfer their credit hours toward a variety of four-year teacher certification programs throughout the State. The program was developed to meet the goals and outcomes established for elementary education by state and national agencies and accrediting associations.

Lower Division Certificate in Commercial Vehicle Operation (Approved 7-5-02)

The program is designed to partially meet the trucking industry need to hire approximately 403,000 professional drivers each year for the next decade. Employment opportunities can be found in either local or long distance segments of the transportation industry. Through lectures, laboratories, and hands-on exercises, students will gain the ability to safely manage the operation of a commercial vehicle in various driving situations. Successful students will be eligible to test for a Class A Commercial Vehicle License with air brakes, combinations, doubles/triples, tankers, and hazardous materials endorsements.

Hagerstown Community College

Associate of Arts in Teaching (Elementary AAT) (Approved 5-23-02)

Hagerstown Community College is also one of the many community colleges currently approved to offer the AAT degree. The concept was developed collaboratively by two-year and four-year higher education faculty from Maryland colleges and universities in response to Maryland and national workforce needs. The AAT will provide a seamless articulation process in which students may transfer their credit hours toward a variety of four-year teacher certification programs throughout the State. The program was developed to meet the goals and outcomes established for elementary education by state and national agencies and accrediting associations.

Public Four-Year Colleges and Universities

Bowie State University

Master of Arts in School Psychology (Approved 6-24-02)

Certificate of Advanced Study in School Psychology (Approved 6-24-02)

These graduate programs in School Psychology will prepare students to function as professional practitioners in school psychology and will lead to certification as school psychologists in Maryland. The program is built on the scientist-practitioner training model and will prepare students for the profession through coursework, research and scholarship, and practical experience in applied settings. Students will be trained to serve the needs of children and youth both directly and indirectly by working with parents, teachers, and other professionals.

St. Mary's College of Maryland

Bachelor of Arts in Biochemistry (Approved 5-20-02)

The major in Biochemistry is designed to meet the needs of students interested in the exploration of the molecular processes of life reflecting the intersection of chemistry and biology needed to understand these processes. Students completing the Biochemistry program will be prepared for careers in the pharmaceutical and biotechnology industries, for pursuit of graduate degrees in biochemistry or chemistry, and for entry into medical, veterinary, dental, or pharmacy schools.

Salisbury University

Post Baccalaureate Certificate in Teaching English to Speakers of Other Languages (TESOL) (Approved 6-24-02)

This certificate program incorporates the standards identified by the International Association of Teachers of English to Speakers of Other Languages, NCATE, and the Maryland State Department of Education guidelines for TESOL teacher preparation programs. The program requires 15 semester credit hours of approved graduate level courses in TESOL. Students will do coursework in theory and best practices of TESOL, applied linguistics, assessment, reading and writing in the content areas, and multicultural education.

Towson University

Bachelor of Science in Integrated Elementary Education – Special Education (Approved 6-17-02)

This program is an alternative to existing individual majors in Special and Elementary education. It provides students interested in becoming certified special education teachers at the elementary school level, the opportunity to pursue their career goal in a shorter period of time at a substantially less cost. The program provides the student with the necessary theoretical knowledge and practical skills to become effective classroom teachers. The program leads to dual Maryland certification in both Elementary Education (grades 1 – 8) and Special Education (grades 1 – 8).

University of Baltimore

Doctor of Management Information Systems (Approved 6-24-02)

The Doctor of Management Information Systems is a first professional degree that prepares students to be leaders in the information world. Multidisciplinary in structure, the program requires that students take a range of courses to develop a number of skills and perspectives. Students will graduate with an understanding of the current world of information from both the technical and administrative perspectives. Students will understand the historical development of the management of information systems and develop the competence to create and manage complex information system projects in business, education, or the public sector.

University of Maryland Baltimore County

Master of Science in Computer Engineering (Approved 6-19-02)

Doctor of Philosophy in Computer Engineering (Approved 6-19-02)

The graduate degree programs in Computer Engineering are designed to cover both breadth and depth across the range of engineering topics implied by the title. The programs will provide advanced instruction, training, and research opportunities and reflect state-of-the-art knowledge in major theoretical and applied aspects of computer and information systems and their applications. All students will be expected to serve as teaching assistants in at least one class so that they are exposed to teaching practices.

University of Maryland, College Park

Master of Science in Bioengineering (Approved 6-21-02)

Doctor of Philosophy in Bioengineering (Approved 6-21-02)

The programs are designed to train students from a variety of scientific and engineering disciplines to apply engineering principles to the study of biology and medicine. The research interests of the program faculty include medical diagnostics, signal processing, imaging, fluorescence spectroscopy, vaccine development, metabolic engineering, pharmaceuticals processing, biomaterials, biomolecular engineering, and biocomponent devices. Faculty at the University of Maryland Baltimore and the University of Maryland Baltimore County also participate in the program and provide unique opportunities for increase research collaboration among these institutions.

II. CERTIFICATES APPROVED WITHIN EXISTING DEGREE PROGRAMS

Community College of Baltimore County

Lower Division Certificate in Desktop Publishing (Approved 7-22-02)

Lower Division Certificate in Business Software Applications (Approved 7-22-02)

Lower Division Certificate in Shorthand (Approved 7-22-02)

Lower Division Certificate in Word Processing (Approved 7-22-02)

Lower Division Certificate in Early Childhood Development (Approved 7-22-02)

Lower Division Certificate in CAD Mechanical Modeling (Approved 7-22-02)

*Lower Division Certificate in Music Production and Audio Recording Technology
(Approved 7-22-02)*

Lower Division Certificate in Autocad Operator (Approved 7-22-02)

Lower Division Certificate in CAD Architecture (Approved 7-22-02)

Lower Division Certificate in CAD Management (Approved 7-22-02)

Lower Division Certificate in Litigation (Approved 7-22-02)

Lower Division Certificate in Paralegal Business (Approved 7-22-02)

Prince George's Community College

Lower Division Certificate in Database Systems (Approved 6-10-02)

Lower Division Certificate in Microcomputer Application Specialist (Approved 6-10-02)

Lower Division Certificate in Computer Graphics (Approved 6-10-02)

Lower Division Certificate in Purchasing and Contracting (Approved 6-10-02)

Lower Division Certificate in Web Technology (Approved 7-22-02)

Lower Division Certificate in General Management (Approved 7-22-02)

Lower Division Certificate in Small Business Management (Approved 7-22-02)

Lower Division Certificate in Computer-Aided Drafting Certificate (Approved 7-22-02)

Lower Division Certificate in CPA Certification (Approved 08-06-02)

University of Maryland University College

*Post Baccalaureate Certificate in Energy Resources Management and Policy
(Approved 7-22-02)*

Upper Division Certificate in Bio-Security (Approved 7-24-02)

Upper Division Certificate in Gerontology (Approved 7-24-02)

Upper Division Certificate in Information Security (Approved 7-24-02)

*Upper Division Certificate in Terrorism and Institutions: Prevention and Response
(Approved 7-24-02)*

Wor-Wic Community College

Lower Division Certificate in Directed Technology (Law Enforcement) (Approved 6-21-02)

III. OFF-CAMPUS PROGRAM PROPOSALS

Bowie State University

Certificate of Advanced Study in Educational Leadership (Approved 7-11-02)

Doctor of Education in Educational Leadership (Approved 7-11-02)

In partnership with Towson University, the programs will be offered at the Southern Maryland Higher Education Center.

Towson University

Certificate of Advanced Study in Educational Leadership (Approved 7-11-02)

Doctor of Education in Educational Leadership (Approved 7-11-02)

In partnership with Bowie State University, the programs will be offered at the Southern Maryland Higher Education Center.

University of Baltimore

Post Baccalaureate Certificate in Technology Commercialization (Approved 7-5-02)

The program will be offered at the Southern Maryland Higher Education Center.

IV. OUT-OF-STATE INSTITUTION

Marymount University

Post Baccalaureate Certificate in Leading and Managing Change (Approved 7-23-02)

The certificate program will be offered to employees of the United States Postal Service at the William F. Bolger Center in Potomac, Maryland, and has been approved for the 2002-2003 academic year.

V. PROGRAMS DISCONTINUED

Prince George's Community College

The institution due to low degree or award production and sustained low enrollments discontinued the following programs:

Associate of Applied Science in Drafting Technology (Approved 07-11-02)

Lower Division Certificate in Architectural Drafting (Approved 07-11-02)

Lower Division Certificate in Engineering Drafting (Approved 07-11-02)

Lower Division Certificate in Administrative Assistant (Approved 07-11-02)

Lower Division Certificate in Medical Record Transcriptions (Approved 07-11-02)

RECOMMENDATION: This item is for information only

**MARYLAND HIGHER EDUCATION COMMISSION
MEETING DATES 2002-2003**

2002			
August	Education Policy	10:00 a.m.	Wednesday – August 7
	Finance Policy	1:30 p.m.	Thursday – August 8
September	Finance Policy	9:00 am - 2:30 p.m.	Thursday – September 19
	Commission Meeting	1:00 p.m.	Wednesday – September 25
October	Education Policy	10:00 a.m.	Wednesday – October 9
	Governor’s Higher Education Conference	8:00 am - 4:00 p.m.	Tuesday – October 15 Stamp Student Union University of Maryland, College Park
	Finance Policy	3:00 p.m.	Thursday – October 30
November	Commission Meeting	1:00 p.m.	Wednesday – November 13
December	Commission Retreat	8:00-5:00	Wednesday – December 11
2003			
January	Education Policy	10:00 a.m.	Wednesday – January 15
February	Commission Meeting	1:00 p.m.	Wednesday – February 19
March	Education Policy	10:00 a.m.	Wednesday – March 12
	Finance Policy	1:30 p.m.	Thursday – March 13
April	Commission Meeting	1:00 p.m.	Wednesday – April 23
May	Education Policy	10:00 a.m.	Wednesday – May 7
	Finance Policy	1:30 p.m.	Thursday – May 8
	Commission Retreat	8:00-5:00	Wednesday – May 21
June	Commission Meeting	1:00 p.m.	Wednesday – June 18

**All Commission, Education Policy, and Finance Policy meetings will be held at:
839 Bestgate Road, Suite 400
Annapolis MD 21401
www.mhec.state.md.us**